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1	Q. What is Jeff's position?		1 the allegations in your complaint?
2	A. Station manager at Delta.		2 A. I have had -- I haven't had occasion to speak
3	Q. He's the current station manager in San Diego?		3 with her until about a month ago.
4	A. That's correct.		4 Q. Who initiated the conversation between you and
5	Q. Do you know when he assumed that position?		5 Cheryl?
6	A. Immediately after -- I'm sorry. I want to say		6 A. Cheryl -- Cheryl had called me asking for some
7	he has been in that position now for four months.		7 specific cruise ship information.
8	Q. Did he take over that position shortly after		8 Q. In relation to your current job with --
9	Mark Cunningham left?		9 A. In relation to my current job.
10	A. No. There was an interim period where -- where		10 Q. And at some point in that conversation did you
11	there was another station manager for about a little bit		11 talk about your lawsuit?
12	under a year. So Mark left about a year and then		12 A. No. She -- she brought it up. She brought it
13	Jeff Rasor took over the position.		13 up and she said, you know what, we should probably get
14	Q. Do you know what position Jeff Rasor held		14 together to go over some of the stuff in your lawsuit.
15	before he became the station program manager for Delta?		15 Q. At what point in the conversation did
16	A. Yes. Jeff Rasor was senior performance leader,		16 Cheryl Black bring up your lawsuit?
17	senior supervisor.		17 A. She just -- towards the end, towards the end.
18	Q. For Delta?		18 You know, and then at that point, you know, obviously
19	A. For Delta.		19 I -- I submitted my -- my apologies to her for getting
20	Q. In San Diego?		20 her involved in -- in this. And she said -- and her
21	A. Yes. So he would be considered almost		21 response was however, once again, we can support you in
22	assistant station manager.		22 this. We're going to do what we think is right.
23	Q. What was the substance of your conversation		23 Q. Did she say what she meant by we're going to do
24	with Jeff regarding the allegations in the complaint?		24 what we think is right?
25	A. My -- my conversations with Jeff were -- were		25 A. There was no reason to follow up.
		Page 62	Page 64
1	supportive in nature, where he brought it up, hey, I saw		1 Q. So, no, she didn't say what she meant by that?
2	your lawsuit, it was emailed. It was -- you know, we		2 A. No.
3	all -- we all received a copy of it and we just want to		3 Q. Do you know what she meant when she said that
4	let you know we think you're doing the right thing.		4 you needed to get together and talk about what was in
5	Q. Did he make any specific statements or opinions		5 the complaint?
6	about the allegations in your complaint?		6 A. Well, it had been -- she was -- she was -- she
7	A. He only lent his support if there's anything		7 had been interviewed by the investigator specific to --
8	that -- that he can do to assist me he would be willing		8 to some of the allegations in there. And so it had been
9	to do so.		9 a while since I had talked to her so her request is,
10	Q. When was that conversation with Jeff Rasor?		10 hey, we should -- we should probably get together and
11	A. That -- that particular conversation just		11 talk about, you know, what -- what happened here because
12	happened two Fridays ago.		12 I personally think it's wrong.
13	Q. Have you had any other conversations with		13 Q. She said that she thought it was wrong?
14	Jeff Rasor regarding your complaint?		14 A. Yes.
15	A. Yeah, we had an initial conversation		15 Q. Did she say what she thought was wrong?
16	immediately after the -- the lawsuit was distributed.		16 A. Everything, everything regarding the
17	Q. What was the substance of that conversation?		17 investigation, the questions that were asked, the
18	A. That was the -- the supportive conversation		18 insinuations that were made and, you know, above and
19	that we had, not into specifics but it was more of -- of		19 beyond -- she didn't understand why -- you know, why
20	lending his support.		20 some people can and some people can't, you know, why --
21	Q. Have you spoken to any other employees of the		21 you know, why is it okay that some people get -- get
22	airlines regarding allegations in your complaint?		22 tickets, upgrades, the whole thing, and some people
23	A. Yes, Cheryl Black, current station manager for		23 don't. And -- and it just seems to be arbitrary in
24	Southwest Airlines.		24 nature on -- on who can do it and who can't.
25	Q. When did you first speak to Cheryl Black about		25 Q. Had you ever spoken to Cheryl Black about the

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<p style="text-align: right;">Page 65</p> <p>1 allegations in your complaint or the allegations against 2 you prior to the conversation you had with her a month 3 ago?</p> <p>4 A. No. It had been pretty close to a year since I 5 had talked to her.</p> <p>6 Q. What was the nature of your conversation with 7 Cheryl Black about a year ago?</p> <p>8 A. No, my conversations with her were in the 9 course of business when I was still working at the 10 Airport Authority. Then I had heard from Mike Parrish 11 that Cheryl Black had been investigated. I had put in a 12 call at that time to follow up, just to -- to see if she 13 was okay. She never called me back. And then here we 14 are a year later, you know, once she called to request 15 this information we -- we talked.</p> <p>16 Q. When were you first hired at the airport?</p> <p>17 A. March -- It would have been five years, maybe 18 March, 2000, 2001?</p> <p>19 MS. CHINN: Five years, you left in --</p> <p>20 THE WITNESS: I want to say it was March, 2001, 21 because it was right before 9/11.</p> <p>22 MS. McDONOUGH:</p> <p>23 Q. How did you first find out about the job at the 24 airport?</p> <p>25 A. The posting had come up -- the posting had come</p>	<p style="text-align: right;">Page 67</p> <p>1 Q. Is this the resume that you just referred to 2 that you sent to the Port District?</p> <p>3 A. Yes.</p> <p>4 Q. Looking at your resume is everything in here 5 accurate?</p> <p>6 A. To the best of my recollection, yes.</p> <p>7 Q. At the time you applied for the Port District 8 you were working at Five Star Parking; is that correct?</p> <p>9 A. Yes. I was -- I was managing the valet parking 10 operation out of Barona Casino for Five Star.</p> <p>11 Q. Why did you want to leave Five Star Parking?</p> <p>12 A. The reason I wanted to leave Five Star Parking 13 was actually for better opportunity. I had done 14 parking -- parking management for so long and I had an 15 opportunity to work for Dirk Mathiasen who -- who used 16 to be the landlord -- my landlord when I managed parking 17 properties on behalf of the Port. So I had always known 18 Dirk to be a fair and honest person and it gave me an 19 opportunity to take my parking management skills and -- 20 and expand on those in a public setting, just a better 21 opportunity.</p> <p>22 Q. Under the Five Star Parking portion of your 23 resume it says that you were the director of business 24 development and marketing.</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 66</p> <p>1 up for the position in the Port of San Diego website and 2 we had run into; God, some employee who said that -- 3 that the job -- the job will be coming up for -- for 4 interview.</p> <p>5 Q. And what job did you apply for?</p> <p>6 A. Manager of ground transportation.</p> <p>7 Q. Do you recall how you applied for that 8 position?</p> <p>9 A. Yeah. I believe I submitted -- I submitted a 10 resume and a cover letter.</p> <p>11 MS. McDONOUGH: We'll mark as Exhibit 2 a letter 12 dated October 10th, 2000, from you to the San Diego 13 Unified Port District. [EXH]</p> <p>14 MS. CHINN: What year is it?</p> <p>15 MS. McDONOUGH: October 10th, 2000.</p> <p>16 Q. Have you ever seen this document before?</p> <p>17 A. Yeah, I believe that was my -- well, it's my 18 signature so I believe it's -- it's my cover letter 19 for -- for the job.</p> <p>20 Q. And you sent this letter to the Port District?</p> <p>21 A. Yes.</p> <p>22 MS. McDONOUGH: We'll mark as Exhibit 3, appears to 23 be a resume with your name on it. [EXH]</p> <p>24 THE WITNESS: Yes.</p> <p>25 MS. McDONOUGH:</p>	<p style="text-align: right;">Page 68</p> <p>1 Q. Is that accurate?</p> <p>2 A. Yes.</p> <p>3 Q. But at the time that you left Five Star Parking 4 you were managing the valet parking at Barona Casino?</p> <p>5 A. Yeah. What happened was we had -- we had -- 6 under my capacity of business development and marketing 7 we had -- we had secured an agreement with Barona to 8 manage their parking properties. And what happened was 9 we had a manager -- we proposed a manager that was there 10 that didn't work out. So on an interim period while we 11 went through and hired someone else I had moved over 12 and -- and assisted with the management of those -- of 13 that facility, so not only doing some business 14 development but also managing that facility on behalf of 15 Five Star Parking until we were able to find someone 16 else to replace that position.</p> <p>17 Q. How long did you manage the facility at 18 Barona Casino?</p> <p>19 A. Maybe, I don't know, maybe two, three months.</p> <p>20 Q. Is there a reason why you didn't include that 21 on your resume?</p> <p>22 A. Because I was still acting -- it was just a 23 temporary assignment. I was still acting as director of 24 business development and marketing for -- for 25 Five Star Parking.</p>

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1 Q. Did you make a conscious decision not to put  
 2 the Barona Casino manager on the resume?  
 3 A. While I was still -- the decision -- It was --  
 4 my title was still director of business development and  
 5 marketing.  
 6 Q. I'm just asking a simple question. Did you  
 7 make a decision not to put the manager of valet parking  
 8 at Barona Casino on the resume?  
 9 MS. CHINN: I'll -- I'll object, It assumes facts  
 10 not in evidence.  
 11 THE WITNESS: I didn't even think about it. I  
 12 just -- you know, I'm reflecting what -- what my  
 13 position was, what I did on the resume.  
 14 MS. McDONOUGH:  
 15 Q. What was the nature of your job duties as  
 16 director of business development and marketing for  
 17 Five Star Parking?  
 18 A. What I would do is -- as director of business  
 19 development and marketing is we would be the  
 20 representative for Five Star in association like a --  
 21 like the Building Owners and Managers Association. What  
 22 I would do is I would go through and -- and look and  
 23 identify properties, try to make contact with the owners  
 24 and just try to expand on the business. So go out and  
 25 look for opportunities to add -- add business to -- for

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1 Five Star Parking.  
 2 Q. Were you just in charge of the San Diego  
 3 region?  
 4 A. Yeah. The -- the nature of Five Star Parking  
 5 is that it's -- it's -- lack of a better -- it's kind of  
 6 a franchise where -- where the local owner owns  
 7 twenty-five percent of the company. So our realm of --  
 8 our, you know, realm of authority is only within  
 9 San Diego County. So I can't go out and represent  
 10 Five Star Parking in Orange County, L.A. or anywhere  
 11 else. It was just San Diego County.  
 12 Q. Who was your supervisor at Five Star?  
 13 A. Direct -- would be the owner, Paul Chacon.  
 14 Q. Did you voluntarily leave your -- your  
 15 employment at Five Star?  
 16 A. Yes, I did.  
 17 Q. And prior to Five Star you were working at  
 18 Ace Parking?  
 19 A. Yes, I was Ace Parking.  
 20 Q. Why were you at Ace Parking for only six  
 21 months?  
 22 A. The owner and I had come up to a disagreement  
 23 in compensation. So at that particular time it was  
 24 just -- I didn't feel that it was going to go in the  
 25 direction that I thought it was going to go so I decided

1 to -- to leave employment.  
 2 Q. What was the nature of the disagreement aside  
 3 from the general category of compensation?  
 4 A. My -- my -- my compensation agreement called  
 5 that -- that I would -- I was entitled to 10 percent of  
 6 all new revenues and additional revenues that I created  
 7 with Ace Parking. When -- when the question was raised  
 8 as to, okay, now show me the budget, show me how much is  
 9 going towards the end of the year, the owner refused to  
 10 give me that information. So we had -- we had a  
 11 disagreement with -- with the compensation.  
 12 Q. Did you have any sort of a heated disagreement  
 13 with the owner regarding compensation?  
 14 A. If you know Scott Jones, yeah, there would be.  
 15 Q. Did you try to negotiate your compensation with  
 16 Scott Jones at all prior to leaving?  
 17 A. No, no, he was just -- you know, it was -- it  
 18 was just pretty clear to me that that was not the type  
 19 of environment that I wanted to work -- to work in and  
 20 that's why I chose to leave Ace Parking.  
 21 Q. When you were at Ace Parking what was the  
 22 nature of your position?  
 23 A. I was vice-president of operations.  
 24 Q. Did you have that title the entire time?  
 25 A. Yes.

18 (Pages 69 to 72)

<p style="text-align: right;">Page 73</p> <p>1 Q. Did you hold that title the entire time you 2 worked with Allright? 3 A. No. 4 Q. What was your first title with Allright? 5 A. Management training. 6 Q. How long did you hold that title? 7 A. I want to say I did management training for 8 under a year. We did management training and then -- 9 then I was promoted to -- to regional vice-president 10 for -- for San Diego. And that's when -- when I ended 11 up moving down here. So I went from training to 12 vice-president. 13 Q. Sometime in 1994? 14 A. Yeah. Let me see, right around when I got 15 married so 11 years ago, yeah, '94, '95, right in there. 16 Q. And you graduated from Chico State -- 17 A. Yes. 18 Q. -- in May of 1992? 19 A. Uh-huh. 20 Q. Yes? 21 A. Yes. 22 Q. What did you do from May, 1992, to May, 1993, 23 in terms of employment? 24 A. I had -- I was working with -- I had gone back 25 to work with -- in the box office for the</p>	<p style="text-align: right;">Page 75</p> <p>1 you to continue working at Ace Parking? 2 A. I believe at that particular point I didn't 3 want to -- I didn't want to and I didn't even ask. It 4 was just -- It was just not the right type environment 5 for -- for me and my family to -- 6 MS. CHINN: Can I ask you something off the record? 7 THE WITNESS: Uh-huh. 8 MS. CHINN: Is that the time he was drunk? 9 THE REPORTER: Wait, are we off the record? 10 MS. CHINN: Yes, we're off the record for a moment. 11 THE VIDEOGRAPHER: Wait a second -- 12 MS. CHINN: I'm going to ask my client something. 13 THE VIDEOGRAPHER: -- off the record at 12:01. 14 (Discussion held off the record.) 15 THE VIDEOGRAPHER: Back on the record at 12:01. 16 MS. CHINN: There's no question pending. 17 MS. McDONOUGH: That's right. 18 Q. Scott Jones is the owner of Ace Parking? 19 A. Yes. 20 Q. You mentioned you had some sort of a 21 compensation agreement? 22 A. Yes. 23 Q. Is that in writing? 24 A. I believe I still have it in writing, yeah. 25 Q. Have you produced your compensation agreement</p>
<p style="text-align: right;">Page 74</p> <p>1 Long Beach Convention Center. I just wanted to take a 2 little bit of time off so I would work part time 3 seasonal at the -- at the box office. And in between 4 after I graduated to here, that's when I started working 5 at Allright Corporation as my first real job. 6 Q. And Allright Corporation was your first 7 experience in the parking field? 8 A. No. I had worked as -- in valet parking 9 operations since I was -- since I turned 18. So I would 10 work -- I forget the name of the company now but I would 11 work -- when I first started working parking I was a 12 valet, kind of a valet lead for some of the local 13 restaurants there in Long Beach. 14 Q. Have you ever been fired from any employment 15 that you've held? 16 A. Fired, you know, the only thing that would 17 be -- that would be close to that would just be our 18 disagreement with -- with Ace Parking. 19 Q. Would you consider your departure from 20 Ace Parking a voluntary departure? 21 A. You know, it was kind of -- kind of a little of 22 both in there where -- where I didn't want to be there 23 and it was just better that -- that I left employment 24 there. 25 Q. Do you know if Scott Jones would have permitted</p>	<p style="text-align: right;">Page 76</p> <p>1 from Ace Parking in this lawsuit? 2 A. No, I don't believe -- what -- I don't believe 3 it was asked for, was it? 4 MS. CHINN: What was the question? 5 THE WITNESS: If I produced my compensation 6 agreement with Ace Parking. 7 MS. CHINN: I wouldn't produce it anyway. It's not 8 relevant whether it was requested or not. Were you 9 finished answering your question? 10 THE WITNESS: Yeah, that particular question. 11 MS. McDONOUGH: 12 Q. Was Scott Jones your supervisor at Ace Parking? 13 A. No. 14 Q. Who was your supervisor? 15 A. John Baumgartner. 16 Q. Do you know if John still works at Ace Parking? 17 A. Yes. 18 Q. Do you know his title? 19 A. I believe he is president and CEO of 20 Ace Parking -- or president, I'm sorry. 21 Q. Who was your supervisor at Five Star? 22 A. Paul Chacon. 23 Q. Oh, you already -- 24 A. Uh-huh. 25 Q. After you submitted the cover letter and resume</p>

19 (Pages 73 to 76)

<p style="text-align: right;">Page 77</p> <p>1 to the Port District did you receive any sort of call or 2 other contact from the Port District regarding your 3 application? 4 A. Yeah. It had gone -- it had gone a pretty long 5 time because if you look at when I was hired and the day 6 I submitted the letter it had gone a while. And then 7 finally I received a call from Rich McClees, who was HR 8 analyst, to setting up an interview date for -- for the 9 position. 10 Q. Did you go into the Port District and interview 11 for the position? 12 A. I don't believe I went into the Port District. 13 I believe the interviews were held at the -- at the 14 Airport Authority -- I'm sorry, at the commuter 15 terminal. 16 Q. How many interviews did you have? 17 A. Two interviews. 18 Q. Were they on the same day? 19 A. No, they were -- they were rather spaced apart. 20 Q. When was your first interview? 21 A. I don't recall. 22 Q. Do you remember who you interviewed with in 23 your first interview? 24 A. Both -- both interviews were -- were panel 25 interviews.</p>	<p style="text-align: right;">Page 79</p> <p>1 A. I know there was more people because it was a 2 pretty big panel but specifically who was there, I don't 3 remember. All I know, I remember Dirk was there and Ted 4 was there at the second one but, you know, who else was 5 there I can't tell you. I don't remember. 6 Q. And sometime after that second interview you 7 received an offer of employment? 8 A. Sometime after that, yes, I received a call 9 from Rich McClees saying that -- saying that they would 10 be preparing a letter. 11 Q. Did Rich tell you anything in that conversation 12 about the nature of the offer that was going to be sent 13 to you? 14 A. No. He was going to put it in writing. 15 Q. Did you receive a letter? 16 A. Yes. 17 MS. McDONOUGH: I'll mark as Exhibit 4 a letter 18 dated March 2nd, 2001, from the -- [EXH] 19 MS. CHINN: That's five. 20 MS. McDONOUGH: I think it's four. 21 MS. CHINN: The resume is not four? 22 MS. McDONOUGH: The resume is three. The October 23 letter is two. 24 MS. CHINN: Okay. You said three before? So this 25 is going to be four?</p>
<p style="text-align: right;">Page 78</p> <p>1 Q. Do you remember who was on the panel in your 2 first interview? 3 A. I believe initially with obviously 4 Dirk Mathiasen was in both interview because as -- as, 5 you know, the -- the -- as to who I would be working, 6 Cliff Orine Massey, who was the manager for airport 7 traffic officers, I believe we had Rich, the HR analyst, 8 and we had -- I know Ted Sexton was in one of those. 9 But any more than that I don't know but I know both of 10 them were -- were panel interviews. 11 Q. Was the second interview a call back type 12 interview? 13 A. Uh-huh. 14 Q. Yes? 15 A. Yes. 16 Q. And that was a panel again? 17 A. Yeah. I believe the first interview -- from 18 the information that I -- you know, that I gathered, the 19 first one they interviewed about eight -- eight 20 candidates and the second was -- was narrowed down to 21 three. And I believe the last three were, you know, 22 Jim Myhers, Bowers -- Marie Bowers and myself. 23 Q. Do you remember if any other people were on the 24 second panel other than those that you've already 25 mentioned?</p>	<p style="text-align: right;">Page 80</p> <p>1 MS. McDONOUGH: Yes. 2 Q. Have you ever seen this letter before? 3 A. Yes, uh-huh. 4 Q. Is this the offer of employment that you 5 received from the Port? 6 A. I believe that that's it, uh-huh. 7 Q. Were you hired as the manager of ground 8 transportation? 9 A. Yes. 10 Q. And was your starting pay twenty-three 11 ninety-four sixty-four biweekly? 12 A. What -- what does that equal monthly -- I mean 13 yearly? 14 Q. Oh, I don't know. I can calculate it very 15 quickly. 16 A. I believe that was -- I believe it was right 17 around sixty, sixty-five a year. It was the starting 18 entry for that position. 19 Q. What were your duties as a manager of ground 20 transportation? 21 A. At that particular time as manager of ground 22 transportation what I would do is I would oversee the 23 permitting office for -- the permitting office for 24 ground transportation. I would oversee the airport 25 traffic officers, not only at the Airport Authority -- I</p>

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1 mean on airport property but Port Thailands (phonetic) 2 area. And I would manage all parking services for the 3 port.	1 Q. When was the last day that you physically 2 worked for Ace Parking? 3 A. I don't remember. 4 Q. Was it prior to December 1st, 1999? 5 A. I don't recall the exact date. 6 Q. And what used car lot did you work at? 7 A. It was -- the used car was a company called 8 First Choice, FUQI. 9 Q. And you just sold used cars? 10 A. Yeah, just keeping myself busy. 11 Q. Under Five Star Parking it said that your 12 monthly salary was \$4,000 plus incentive? 13 A. Uh-huh. 14 Q. Do you know how much incentive you received on 15 a monthly basis on average from Five Star? 16 A. No, because those -- those agreements were 17 incentives based through -- through accumulated net 18 profits. But I don't believe I received a performance 19 bonus or incentive bonus in that manner. 20 Q. Did you ever receive any sort of incentive from 21 Five Star -- 22 A. I -- I don't believe so. 23 Q. So when you put \$4,000 plus incentive as your 24 monthly salary what did you mean by that? 25 A. That I had an incentive program but I don't
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1 You can go ahead and take as much time as you need to to 2 read it. 3 (Witness and counsel confer off the record.) 4 THE WITNESS: If I can speak to my attorney. 5 (Discussion held off the record.) 6 THE WITNESS: Okay. There was -- should I -- 7 MS. CHINN: There's no question pending. 8 THE WITNESS: Okay. 9 MS. McDONOUGH: Yes, there is. 10 MS. CHINN: There is? Is that about is it 11 accurate? 12 MS. McDONOUGH: 13 Q. Is every -- is everything on Exhibit 5 14 accurate? 15 A. There was -- the only thing that's omitted from 16 here was just maybe a month, less than two, I had been 17 paid through -- through this period with Ace and prior 18 to when I began with Five Star Parking. I just -- I 19 worked with a friend of mine selling used cars for like 20 a month. 21 Q. So you were paid from -- by Ace Parking through 22 December 1st, 1999? 23 A. I was paid through and in between then I had 24 worked, just keeping myself busy because I was 25 negotiating with Five Star Parking on unemployment.	1 believe I received that -- an incentive pay. 2 Q. And under Ace Parking it says \$5,200 plus 3 incentive as a monthly salary -- 4 A. Yeah, that was my -- 5 Q. -- was that accurate? 6 A. Yes. That was the 10 percent of additional 7 revenues and new lots produced, yes. 8 Q. Did you ever receive that 10 percent at any 9 time? 10 A. Never. 11 Q. So did you ever receive an incentive of any 12 sort from Ace Parking? 13 A. No. That was -- that was part of what led me 14 to -- to leave employment, that and as well as other 15 things. 16 Q. The other things are the things we've already 17 discussed? 18 A. No. 19 Q. What other things led you to leave Ace Parking? 20 A. We had -- I had had a disagreement with the 21 owner because on one particular time over the 22 Street Scene. I had worked with -- with the 23 Street Scene organizers to -- to lease out some of 24 our -- the Ace Parking lots to them when it was down in 25 the Gas Lamp.

21 (Pages 81 to 84)

<p style="text-align: center;">Page 85</p> <p>1 On one particular occasion Scott Jones, the owner,    2 we had come out -- had come out of -- of the    3 Street Scene and he had been drinking and he made it a    4 point to go out and berate me in public as to -- you    5 know, just his show of force. And that was -- that was    6 the issue -- that was one of the issues that -- that and    7 then along with the conversation that caused me to leave    8 Ace Parking.</p> <p>9 Q. How do you know that Scott Jones had been    10 drinking?</p> <p>11 A. When -- when his son has to drive for him,    12 that's pretty close to why he had been drinking.</p> <p>13 Q. How do you know his son had to drive for him?</p> <p>14 A. Because Keith, his son, told me that he had    15 been drinking and he's going to have to drive his dad    16 home.</p> <p>17 Q. So on this occasion in the Gas Lamp    18 Keith Jones --</p> <p>19 A. Yeah.</p> <p>20 Q. -- told you that his dad had been drinking and    21 he had to drive him home?</p> <p>22 A. Yeah. It was pretty clear to the employees    23 that he had been drinking.</p> <p>24 Q. Do you know who else was there when Scott    25 talked to you in the Gas Lamp?</p>	<p style="text-align: center;">Page 87</p> <p>1 don't do what he asks me to do and why isn't the whole    2 parking lot valeted, even though the day before he had    3 agreed with me that, okay, just do the best you can do    4 because there's no way you can valet the whole parking    5 lot.</p> <p>6 Q. Do you remember what month this was in?</p> <p>7 A. I believe -- I believe it was always around    8 September.</p> <p>9 Q. Do you remember exactly what Scott Jones said    10 to you in that parking lot in September of 1999?</p> <p>11 A. Yeah. I believe he said you're a liar, you're    12 a liar, you never do what I want you to do, we never had    13 that conversation yesterday. And he just -- you know,    14 just started, you know, profanity, tirade. And that was    15 kind of -- you know, I had never worked under those --    16 you know, under those conditions. So that's kind of the    17 beginning of when, you know, I didn't -- I didn't want    18 to work there any more.</p> <p>19 Q. Do you remember what profanity he used?</p> <p>20 A. Yeah. I mean like -- like fuck you, asshole.    21 I mean Scott is -- Scott is pretty famous for just going    22 off on these tirades on his employees.</p> <p>23 Q. And you believe that other employees were there    24 at the time?</p> <p>25 A. I believe -- yes, because I had lot attendants</p>
<p style="text-align: center;">Page 86</p> <p>1 A. No, I had -- they were -- I had two or three    2 other employees in there. You know, what led to that --    3 what led to that was the day before -- back when they    4 did the Street Scene you would do Street Scene and    5 Action Sports Retail show all together. Action Sports    6 Retail brings in, you know, twenty, thirty thousand    7 people that come for the event. And what happens is    8 those who come in for Action Sports Retail can't find a    9 place to park and park there the whole week and just pay    10 whatever the rates are, you know, twenty, thirty bucks a    11 day.</p> <p>12 And so the night before Scott had said -- asked to    13 valet the whole parking lot. And so I had a    14 discussion -- because Scott had gone Friday, Saturday,    15 Sunday, you know, to the -- to the Street Scene. I had    16 said, Scott, we can't valet the whole parking lot    17 because over half the cars that are in here in the    18 parking lot we won't see until Sunday because they just    19 parked their car and left it there. He said, no, I want    20 you to valet the whole parking lot.</p> <p>21 So when we came -- when he came back the next day    22 he only saw some cars up and down the aisles -- up and    23 down the aisles that we had valets, just added extra    24 cars. And that's when he said -- that's when he    25 launched into his tirade that I don't listen to him, I</p>	<p style="text-align: center;">Page 88</p> <p>1 over on -- on duty at that time.</p> <p>2 Q. Do you remember the names of any of those    3 employees?</p> <p>4 A. No, I don't.</p> <p>5 Q. Did Scott ever get upset with you after the    6 Street Scene event at any time from --</p> <p>7 A. He had --</p> <p>8 Q. -- September, 1999, to when you left?</p> <p>9 A. He had never been upset with me beforehand.</p> <p>10 And for whatever particular reason he didn't want to let    11 this one go. He had asked me to send him an apology    12 letter of which -- you know, which obviously I did, you    13 know, just send him and told him there was a    14 misunderstanding, miscommunication. I sent him an    15 apology letter. He wouldn't let it go, he wouldn't let    16 it go. And then finally, you know, when I had the    17 conversation with -- with John Baumgartner, you know, it    18 was just agreed that -- that I would -- I would not work    19 there any more.</p> <p>20 Q. Do you have a copy of the apology letter that    21 you sent to Scott?</p> <p>22 A. No.</p> <p>23 Q. What was the nature of your conversation with    24 John?</p> <p>25 A. John had -- John on several occasions had</p>

22 (Pages 85 to 88)

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1 called me because he had -- I don't know if he was  
 2 trying to arbitrate or mitigate or -- he was just kind  
 3 of letting me know what -- you know, what Scott was --  
 4 was thinking which -- you know, what he wanted me to do  
 5 and he just wouldn't let it go, he just wouldn't let it  
 6 go.

7 In this particular instance, you know, which --  
 8 which confounded me was I had gone through and not only  
 9 leased the -- his parking lots at a much higher rate  
 10 than he ever had but I also found him a couple of  
 11 additional properties where he made, you know, much  
 12 higher profits than he had ever made at any Street Scene  
 13 before so I don't understand why -- you know, why he  
 14 focused on -- you know, on -- on that, hey, you didn't  
 15 valet the whole parking lot, even though we had the  
 16 conversation before.

17 So that's -- that was the conversation that I was  
 18 having with -- with John Baumgartner and just  
 19 couldn't -- couldn't get it, couldn't understand why he  
 20 wouldn't let that go, even though to me it was trivial  
 21 in nature.

22 Q. When was the conversation with John that you  
 23 were just referring to?

24 A. I don't -- I don't recall the specific dates in  
 25 there but -- but it was probably immediately thereafter,

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1 sometime in February -- sometime -- I'm sorry, sometime  
 2 September, September, October timeframe.

3 Q. Did you have any conversations with John  
 4 regarding ending your employment with Ace?

5 A. We had -- John and I had -- had talked about --  
 6 had talked about him not letting it go and I had told  
 7 him, well, you know, our conversations were if he can't  
 8 let it go then -- then maybe I should just leave in that  
 9 tone, that tone and nature.

10 Q. And did John respond to that statement?

11 A. John just said, well, let me -- let me see what  
 12 it is that I can do, you know, to try to get this whole  
 13 thing go away. But obviously, you know, when --  
 14 obviously Scott was not about to let it go.

15 Q. Is there any other reason that you left  
 16 Ace Parking other than this altercation you had with  
 17 Scott and the issue over compensation?

18 A. No, ma'am.

19 Q. Going back to Exhibit 5 under Allright it says  
 20 that your monthly salary was \$4,000 plus incentives?

21 A. Yes.

22 Q. Did you ever receive any incentives --

23 A. Yes.

24 Q. -- from Allright?

25 Did you ever receive those on a monthly basis?

1 A. No, they were on a quarterly. They're on a  
 2 quarterly basis. As part of my incentive agreement or  
 3 just every -- every vice-president, when you take over a  
 4 city they baseline your -- your profits. And then what  
 5 you do on a quarterly basis for any new revenues that  
 6 you bring on a quarterly basis you receive a quarter  
 7 of -- of that year. So the first year you didn't get  
 8 anything but after that year you'll start receiving a  
 9 quarter of everything that you get. And at the end of  
 10 the year you get -- you get a big chunk which is the  
 11 rest of the year. Just in case you have a quarter that  
 12 dips down they make it all right but, yeah.

13 Q. Do you remember about how much you received in  
 14 incentives in the last year that you were employed at  
 15 Allright?

16 A. I don't -- I don't remember. I don't remember  
 17 but during my last year of -- during my last year of  
 18 employment with Allright Corporation we were also issued  
 19 stocks, stocks as part of the transfer. So it was, you  
 20 know, well in excess of twenty, thirty thousand dollars.

21 Q. In incentives --

22 A. Uh-huh.

23 Q. -- in addition to your \$4,000 per month?

24 A. Yes.

25 MS. McDONOUGH: Cathryn, is this a good time for a

1 lunch break or do you want to keep going?

2 MS. CHINN: Whenever you want.

3 MS. McDONOUGH:

4 Q. Are you fine to continue?

5 A. We're fine.

6 Q. Okay. Back to your position with the airport,  
 7 how long did you hold the manager of ground  
 8 transportation position?

9 A. I believe I was manager of ground  
 10 transportation until -- I want to say -- my tenure there  
 11 was just under five years so I believe I was manager of  
 12 ground transportation two, three years, somewhere in  
 13 there. You probably have the dates in front of you.  
 14 Then I went to an acting position of acting director of  
 15 landside operations. And then I finally interviewed and  
 16 got the -- the final director of landside operations  
 17 so -- you have the dates in front of you. You can tell  
 18 me better than I can.

19 Q. Did you ever receive pay increases from the  
 20 time -- while you were employed as manager of ground  
 21 transportation?

22 A. Yes.

23 Q. Do you remember what your pay increases were?

24 A. No.

25 Q. Do you remember at some point in time making

23 (Pages 89 to 92)

Page 93		Page 95	
1	\$72,800 --	1	position went up.
2	A. Yes.	2	So between, I want to say just prior to -- to the
3	Q. -- as the manager of ground transportation?	3	split of the Airport Authority, around in November,
4	A. Yeah. If you have the documentation in front	4	somewhere in there, I had -- I was acting director of
5	of you it must be true.	5	landsides operations between there and when I finally
6	Q. I'm not trying to trick you and I don't want	6	received the job all this time.
7	you to assume that anything is true just because I'm	7	Q. So from November, 2002, to October, 2003, you
8	looking at a document.	8	were the acting director --
9	A. Yeah. You know, clearly with mine they're all	9	A. Pretty --
10	direct deposits. I don't -- you know, money to me isn't	10	Q. -- of landside --
11	a focus. It's -- it's opportunities to do whatever it	11	A. Pretty close.
12	is I'm going to do. So you can -- I mean for me to tell	12	Q. Do you remember when you applied for the actual
13	you specific on this day I got a raise, I really	13	director position?
14	wouldn't be able to answer that for you because that's	14	A. No, I don't.
15	not how I'm driven.	15	MS. McDONOUGH: We only have a couple minutes left
16	MS. McDONOUGH: Okay. We'll mark as Exhibit 6 a	16	on the tape so this would be a good time to take a lunch
17	letter dated October 3rd, 2003, from Ted Sexton to	17	break.
18	you. [EXH]	18	THE WITNESS: Okay.
19	THE WITNESS: Okay.	19	THE VIDEOGRAPHER: This is the end of
20	MS. McDONOUGH:	20	Videotape Number 1. Off the record at 12:26.
21	Q. Have you seen this document before?	21	(A lunch recess is taken.)
22	A. Yes. This is the letter -- this is a letter	22	THE VIDEOGRAPHER: This is the beginning of
23	that finally -- let me see, I believe -- yeah, this is	23	Videotape Number 2. Back on the record at 1:37.
24	the one where I was extended the opportunity to be	24	MS. McDONOUGH:
25	director of landside operations.	25	Q. Is there any reason why you cannot continue to
Page 94		Page 96	
1	Q. You said you interviewed for this position?	1	give your best testimony?
2	A. Yes.	2	A. No.
3	Q. Who did you interview with?	3	Q. Did you take any medication over the noon hour?
4	A. Interviewed in this position was, let's see,	4	A. No.
5	Ted -- no. Was it Ted? I know Diane -- Diane Richards	5	Q. Did you speak to anyone about your deposition
6	I believe was there, director of Human Resource, or	6	over the noon hour other than your attorney?
7	director of Human Resource was there, Paul Kelly was	7	A. Yes.
8	there, who was the assistant federal security director	8	Q. Who did you speak to?
9	for the TSA. We had Connie -- Connie Adams, who was	9	A. It just happened that I got a call from
10	station manager for Skywest Airlines was on that panel.	10	Mike Parrish with Southwest. He gave me a call and I
11	Maybe -- maybe Ted was there too. But I know there was	11	said, hey, can I call you later, I'm in the middle of a
12	others. It was all panel interviews -- a panel	12	deposition, and we just left it at that.
13	interview.	13	Q. Did you talk about the substance of the
14	Q. Did you apply for the director of landside	14	deposition at all?
15	operations position?	15	A. No. I just said I was in the middle of a
16	A. Yes, you have to apply.	16	deposition.
17	Q. Do you know why that position opened up?	17	Q. Prior to our lunch break we were talking about
18	A. Yes, because prior -- prior to -- prior to the	18	your application for the director position at the
19	split of -- or the separation of Airport Authority from	19	Airport Authority.
20	the Port of San Diego. Dirk Mathiasen was under a	20	A. Yes.
21	different title but -- but the same capacity, was deputy	21	Q. Do you recall -- well, strike that.
22	director of landside operations. When the split came	22	Do you know how many people applied for the
23	through he decided to maintain his employment with the	23	director position?
24	Port of San Diego. And he moved over as real estate	24	A. No.
25	manager for the Maritime Division. So that's how the	25	Q. Do you know if anyone else applied for it?

24 (Pages 93 to 96)

Page 97	Page 99
1 A. Yes.	1 a million square feet, parking, ground transportation,
2 Q. Who else applied that you know of?	2 permitting, the traffic enforcement officers, capital
3 A. I know -- I know Clint Welch applied for it,	3 improvement developments, major maintenance projects.
4 who was a manager of security. I know that Marie Bowers	4 So really everything -- everything at the airport that
5 applied for it with America West. And I know that --	5 did not involve -- in terms of operation that did not
6 one more -- Danette, Danette Bewley applied for it.	6 involve airside activity.
7 Those were just names that were brought to my attention	7 Q. There will be people on this case who have
8 that also applied for that position.	8 never worked at the airport and don't know much about it
9 Q. Did anyone ever tell you why you were selected	9 so when you say airside and landside can you explain
10 over the other candidates for the position?	10 what you mean by that?
11 A. I was best qualified for the position.	11 A. Airports are broken down in three sections.
12 Q. Who told you that?	12 There is landside operations, which is everything from
13 A. Ted Sexton, who hired me.	13 the curbs -- from the terminal curbs out to -- to the
14 Q. Is Ted your supervisor?	14 main street, which in our case is Harbor Drive. So that
15 A. Direct supervisor.	15 includes your parking, ground transportation and --
16 Q. How long had Ted been your supervisor at the	16 parking, ground, permitting, that's -- that's what they
17 time he promoted you to the director position?	17 call landside operations.
18 A. Ted had been my supervisor ever since	18 Now, you have terminal operations. Terminal
19 Dirk Mathiasen left.	19 operations are the management of the buildings
20 Q. Dirk was your first supervisor --	20 themselves. And then from the jet bridges out is
21 A. Uh-huh.	21 airside. So as director of landside operations I manage
22 Q. -- when you started with the Authority, with	22 terminal operations and -- and landside operations.
23 the Port?	23 Q. So as director of landside you manage terminal
24 A. Uh-huh, yeah.	24 and landside?
25 Q. And then Ted became your supervisor when Dirk	25 A. Yes.
Page 98	Page 100
1 left?	1 Q. Was there a director of terminal operations?
2 A. Yeah, because I was then promoted to the	2 A. No. No, at that particular time we had
3 interim or acting -- interim or acting, I don't remember	3 Danette Bewley who had left employment with the
4 the exact title of -- as director of landside	4 Airport Authority to join Jacksonville airport. So at
5 operations.	5 one particular time I not only was the director but also
6 Q. In November of 2002?	6 the manager of -- of those two aspects.
7 A. Uh-huh, right around there, uh-huh.	7 Q. How did your job duties change when you went
8 Q. You mentioned earlier that the	8 from manager of ground transportation to acting director
9 Airport Authority, in your words, split off from the	9 of landside operations?
10 Port?	10 A. They pretty close to doubled at that particular
11 A. Uh-huh.	11 time which, you know, prior to then I only -- my -- my
12 Q. Do you remember what -- what month and year	12 management of the airport stopped at the curbs, at the
13 that was?	13 terminal curbs. When I moved into this particular
14 A. That was January 1, 2003, probably, 2002, 2003.	14 position it now involved all -- all the terminal
15 No, it had to be -- let me see, 2003.	15 operations inside the terminal.
16 Q. What were your job duties when you were first	16 Q. Did your job duties change at all from being
17 hired as director?	17 acting director of landside operations to permanent
18 A. In the active position or the -- or the --	18 director of landside operations?
19 or --	19 A. They -- they did because now it was formalized.
20 Q. The permanent position.	20 I couldn't -- under the acting position I didn't have
21 A. The permanent position. At that particular	21 full reign to do or to oversee a lot of the projects so
22 time we didn't have a manager of terminal operations.	22 a lot of that was split in terms of capital
23 We didn't have a manager of ground transportation. So	23 improvements, developments and those. So, yeah, it
24 at that particular time I kind of did it all. I oversaw	24 increased -- it increased and made it more I guess
25 all terminal operations, of which we have approximately	25 legitimized the position.

25 (Pages 97 to 100)

Page 101	Page 103
1 Q. How did the job increase when you became a 2 permanent director, just in terms of the authority that 3 you had? 4 A. Yeah. 5 Q. The -- 6 A. It was more of what -- what I was very 7 conscious of doing -- 8 MS. CHINN: You've got to look at Jennifer because 9 if -- 10 THE WITNESS: Oh, sorry. 11 MS. CHINN: -- you overspeak the end of her 12 sentence she can't -- is that what you were -- 13 THE REPORTER: I'm okay right now. 14 MS. CHINN: Go ahead and signal him. 15 THE WITNESS: As -- as acting director of landside 16 operations I was -- I was very careful to -- to 17 understand that I was only in an acting position. I 18 didn't want to represent myself or misrepresent myself 19 as the permanent director of landside operations if I 20 wasn't going to get the job. So in -- in my 21 correspondence I would still put acting director of 22 landside operations because it was at no point told to 23 me that I was -- it was going to be my job. 24 MS. McDONOUGH: We'll mark as Exhibit 7 an 25 organizational chart. [EXH]	1 here as a chief auditor, which was one of the original 2 chief auditors, and then Breton Lobner who started. But 3 just by looking at Young Choi he was there only at the 4 beginning and -- and so was Sunil Harman. 5 Q. So sometime in the beginning of 2003? 6 A. Uh-huh. 7 Q. Yes? 8 A. Right around -- I want to say right around year 9 2003. 10 Q. Okay. In looking down in the bottom left-hand 11 corner -- 12 A. Yes; ma'am. 13 Q. -- do you know if this organizational chart was 14 created after you became the permanent director of 15 landside operations? 16 A. I'm not sure when it was created. When it was 17 created I just -- I'm just looking and saying that's 18 pretty much the structure. I can't -- I can't tell you 19 because I didn't write it. This is -- this is probably 20 a document that was either included in -- probably in -- 21 in our budget somehow. 22 Q. Assuming that this organizational chart is from 23 2003 does this accurately reflect the reporting 24 relationships at that time looking -- I'm most 25 interested in from your position in landside operations
Page 102	Page 104
1 Q. Have you ever seen this organizational chart? 2 A. Let me look. 3 Q. Okay. 4 A. Yes, I have. 5 Q. Do you know what the organizational chart is 6 for? 7 A. Yeah. This is just to show reporting 8 responsibilities. 9 Q. Within the Airport Authority? 10 A. Uh-huh. 11 Q. By looking at the chart and the names that are 12 listed there can you place this organizational chart in 13 time as far as what year this was for? 14 A. In looking at the chart it -- you -- you see up 15 on top it says Regional Airport Authority so it has to 16 be within that span. You also have to keep in mind 17 that -- that during my tenure there there was also 18 iterations and reiterations of -- of proposed, you know, 19 organizational structures. And, in fact, at my time or 20 when -- when my employment ceased this was no longer the 21 reporting structure. 22 Q. So can you place this reporting structure in 23 time as far as a year or a -- 24 A. It probably a little bit after the creation of 25 the Airport Authority because you still had Young Choi	1 on up. 2 A. Yeah. I reported -- 3 MS. CHINN: Let me make an objection. 4 THE WITNESS: Sorry. 5 MS. CHINN: It lacks a foundation. Go ahead and 6 answer. 7 THE WITNESS: Okay. From -- from what I see in 8 here I reported directly to Ted, Ted reported to Thella. 9 MS. McDONOUGH: 10 Q. Did your job ever change after you obtained the 11 director position in October, 2003? 12 A. The -- the job always changed because areas -- 13 areas of focus and responsibility and new initiatives 14 caused it to be -- to -- for the job to be dynamic. 15 What was -- what was static was the areas of 16 responsibility but items within those changed all the 17 time. 18 Q. Can you give an example of what would change? 19 A. Where, for example, initially manager of 20 terminal operations or under the terminal operations 21 side did not involve the management of overseeing of 22 your security check points or the management and develop 23 of in-line baggage systems. Immediately after -- 24 Immediately after I took that interim job it -- it all 25 changed because 9/11 dictated that all -- that the

26 (Pages 101 to 104)

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1 baggage screening requirements, passenger screening  
 2 requirements all changed. Everything came back to the  
 3 TSA government.

4 So where beforehand we didn't have anything to do  
 5 with screening, passenger or baggage, you know, that all  
 6 changed. So now it was up to us as airports to  
 7 institute or to comply with all the safety and security  
 8 requirements. So that's just a little idea of the  
 9 dynamics of -- of the nature and a lot of it is really  
 10 security so it all changes.

11 Q. Based on the climate in the country or the  
 12 world?

13 A. Uh-huh.

14 Q. Yes?

15 A. Yes.

16 MS. CHINN: Objection, that calls for speculation.  
 17 It contradicts his previous -- it contradicts his  
 18 previous testimony.

19 MS. McDONOUGH:

20 Q. How would you receive notification that your  
 21 job had changed or expanded or constricted in -- in  
 22 responsibilities?

23 A. What would happen -- what would happen is -- is  
 24 we would get together on a weekly basis with -- and have  
 25 a staff meeting with Ted Sexton. We would go over -- we

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1 would go over, you know, what we were doing and then he  
 2 would also present to us direction of areas of focus  
 3 that he wanted us to do.

4 But being in -- in the positions that we are we  
 5 kind of already knew or -- or had an idea bullet points  
 6 of directions or changes that we needed to make at that  
 7 time. Like, for example, you know, when the Super Bowl  
 8 came around, it wasn't within anyone's responsibility  
 9 to -- to oversee the Super Bowl when it came in but yet,  
 10 you know -- you know, I did it. So it was just, you  
 11 know, things come around, in and out, and -- and at that  
 12 time if it's -- if it's within your area or your scope  
 13 of responsibility it would be tasked with -- with doing  
 14 that.

15 Q. When you said that we would get together on a  
 16 weekly basis with Ted who you were referring to?

17 A. Your group -- your core group here that you  
 18 would see as your -- as Ted's directors. But also  
 19 within that -- within these directors you would have  
 20 Amy Gosselin, who was his administrative assistant, and  
 21 you would also have key individuals or additional  
 22 individuals such as Amiel Porta and Jay Bass, who were  
 23 under terminal operations who were involved with the  
 24 day-to-day operations.

25 You would also have Jim Prentice, who was our

1 business analyst in there, and then other key  
 2 individuals probably -- not probably, Jeff Simons, who  
 3 was our -- our special IT guy for -- for the  
 4 Airport Authority.

5 So that was -- that was kind of the group of --  
 6 oh -- yeah, kind of the group that would be involved  
 7 with -- with Ted's weekly meetings.

8 Q. And when you were referring to the people who  
 9 report to Ted you're referring to the five people on  
 10 Exhibit 7 that are listed --

11 A. Yeah.

12 Q. -- under Ted?

13 A. You had the directors of the five areas of  
 14 responsibility that it covered and then within -- within  
 15 below that there was additional staff included in  
 16 those -- in those staff meetings.

17 Q. Those meetings --

18 A. Managers.

19 Q. -- were on a weekly basis?

20 A. On a weekly basis, for the most part.

21 Q. Do you know if anyone took notes at those  
 22 meetings?

23 A. Amy Gosselin was supposed to take notes.

24 Q. Do you know if she did take notes?

25 A. I'm sure she did. At some times she did,

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1 sometimes she wouldn't. Sometimes she was available,  
 2 sometimes she wasn't so probably.

3 Q. Have you ever seen notes that Amy Gosselin took  
 4 from the meetings?

5 A. Yeah, they would be emailed. They would --  
 6 whenever she was there she would take the notes and  
 7 email them back to the group.

8 Q. Do you still have any of those emails?

9 A. Nope.

10 Q. What was your practice when you received those  
 11 emails as far as whether you kept them or deleted them  
 12 from your email system?

13 A. Most of the time I would look at those emails  
 14 and -- and if they were something that I needed to keep  
 15 I would, otherwise, I would just delete the emails.

16 Q. From your recollection was everybody that  
 17 attended the meeting included on the email that had the  
 18 notes regarding the meeting?

19 A. No, I -- I couldn't even tell you. I would  
 20 just look and it would come to me and it wasn't -- it  
 21 wasn't for lack of -- it wasn't my concern who else got  
 22 it. All I know is it came to me.

23 Q. Did your title ever change after you became  
 24 director?

25 A. No. It went from acting -- acting or interim

27 (Pages 105 to 108)

<p style="text-align: right;">Page 109</p> <p>1 to -- to director of landside operations.</p> <p>2 Q. Did your reporting relationship ever change</p> <p>3 after you became the permanent director at the airport?</p> <p>4 A. Only -- only towards the end of my employment</p> <p>5 where -- but it never took into effect. No, it was</p> <p>6 always Ted Sexton.</p> <p>7 Q. Do you know how the reporting relationship was</p> <p>8 going to change at the end of your employment?</p> <p>9 A. Yes.</p> <p>10 Q. What was that plan, if you know?</p> <p>11 A. What was going to happen was the way it was --</p> <p>12 the way it was told to me was that I would now be</p> <p>13 reporting to Bryan Enarson versus Ted Sexton.</p> <p>14 Ted Sexton would only be -- would now be -- he called</p> <p>15 it -- he called it staff assistant but none -- none of</p> <p>16 the VPs reported to him. And all he was -- really kept</p> <p>17 was -- was -- was the regulated responsibilities, which</p> <p>18 is -- which is aviation security and alside.</p> <p>19 And then the parking, parking management would be</p> <p>20 split off and that would go to real estate reporting to</p> <p>21 Vernon. And then the terminal operations and</p> <p>22 development side would be split off and then going to --</p> <p>23 to Bryan. So they -- they kind of took it in threes.</p> <p>24 MS. CHINN: Could you read back his answer for me,</p> <p>25 Jennifer?</p>	<p style="text-align: right;">Page 111</p> <p>1 she's seen any of these. Were they on your computer</p> <p>2 when you --</p> <p>3 THE WITNESS: No. They were given -- I'm sure you</p> <p>4 saw them, Amy, coming out.</p> <p>5 MS. CHINN: But when you left were they on your</p> <p>6 computer?</p> <p>7 THE WITNESS: We -- I kept them just under a re-org</p> <p>8 file but they're -- they're there. It was -- it was --</p> <p>9 it was an email that had gone out just to clear a lot of</p> <p>10 the confusion. It was airport wide email that I believe</p> <p>11 came out from Thella.</p> <p>12 MS. McDONOUGH:</p> <p>13 Q. Do you know why there was a reorganization in</p> <p>14 the airport in January, 2006?</p> <p>15 MS. CHINN: I'll object. It's vague and ambiguous,</p> <p>16 calls for speculation. Answer best you can. The</p> <p>17 question is do you know why.</p> <p>18 THE WITNESS: No. I can --</p> <p>19 MS. CHINN: Okay. You're finished, you answered</p> <p>20 it.</p> <p>21 MS. McDONOUGH:</p> <p>22 Q. Has anyone from the Authority ever told you why</p> <p>23 there was a reorganization at the end of 2005, beginning</p> <p>24 of 2006?</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 110</p> <p>1 (The record is read by the reporter.)</p> <p>2 MS. CHINN: Thank you.</p> <p>3 MS. McDONOUGH:</p> <p>4 Q. So do you know if any of the vice-presidents'</p> <p>5 titles were going to change after this reorganization</p> <p>6 that you just talked about?</p> <p>7 A. Yes. I didn't have a specific title but I</p> <p>8 believe at that particular time as part of the re-org</p> <p>9 that Ted's -- Ted's title would change to staff</p> <p>10 assistant or some name -- some similar name. Bryan's</p> <p>11 title would change to Port development or capital</p> <p>12 improvement. There was -- there was different titles</p> <p>13 that were given to them but I can't recall exactly what</p> <p>14 they are. But they would be -- they would be changes to</p> <p>15 titles within that re-org.</p> <p>16 Q. Do you know when the re-org was supposed to</p> <p>17 take effect?</p> <p>18 A. There was an email that was sent out to</p> <p>19 employees saying that the re-org in its version would</p> <p>20 take effect immediately after the new year.</p> <p>21 Q. The new year, January 1st, 2006?</p> <p>22 A. No, 2005. Is it 2005 or -- no, 2006, you're</p> <p>23 correct. Do you have a copy of that email?</p> <p>24 Q. I'm taking your deposition.</p> <p>25 MS. CHINN: I don't think she does. I don't think</p>	<p style="text-align: right;">Page 112</p> <p>1 Q. Who told you something about the reorganization</p> <p>2 and the reason for it?</p> <p>3 A. Ted Sexton.</p> <p>4 Q. What did Ted tell you about the reason for the</p> <p>5 reorganization?</p> <p>6 A. Ted Sexton and I had a conversation before I</p> <p>7 went on vacation because -- to inform me that the</p> <p>8 thought of the reorganizations were resurfacing again.</p> <p>9 About a year prior to this there was thoughts about me</p> <p>10 doing a re-org.</p> <p>11 A lot of it was centered on Thella's belief that</p> <p>12 she was losing control or she wasn't an integral part</p> <p>13 in -- in the day-to-day operations or wasn't seen as an</p> <p>14 integral part of the Airport Authority in that nature.</p> <p>15 So she wanted to re-org it -- reorganize the reporting</p> <p>16 structure so that she can be the center of what they</p> <p>17 call the wagon wheel of responsibility, where you have</p> <p>18 the VPs reporting and everything going back to her in</p> <p>19 the middle versus this where it goes -- it's going up on</p> <p>20 a pyramid style.</p> <p>21 Q. Did Ted Sexton relay any other reasons to you</p> <p>22 for the reorganization?</p> <p>23 A. For the -- for the most part at that particular</p> <p>24 time there was -- that was -- that was a primary reason</p> <p>25 why that was given to me. It was she felt -- once</p>

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<p>1 again, she felt that she was losing credibility within  2 her board because they didn't see her as a functional  3 piece at the Airport Authority and she wanted to  4 position herself in a way that -- that would create her  5 in that position.</p> <p>6 MS. CHINN: Can we go off the record just for a  7 second? I want to talk to my client, please. Thank  8 you.</p> <p>9 THE VIDEOGRAPHER: Off the record at 2:00 o'clock.  10 (A recess is taken.)</p> <p>11 THE VIDEOGRAPHER: Back on the record at 2:01.</p> <p>12 MS. McDONOUGH:</p> <p>13 Q. You had mentioned that the Authority discussed  14 a potential reorganization in 2004 as well; is that  15 correct?</p> <p>16 A. The Authority did not. Ted Sexton discussed  17 with me the potential of a reorganization at that time.</p> <p>18 Q. Did he tell you in 2004 why there might be a  19 reorganization?</p> <p>20 A. No. A lot of it -- a lot of it at that  21 particular time was really centered against -- around --  22 I think at that particular time -- I'm trying to respond  23 in -- in really the context. He didn't really say why  24 it was but he was more -- he was more worried about the  25 re-org because he thought that he was trying to be</p>	<p>1 October 3rd, 2003, letter --  2 A. Yes.  3 Q. -- and the offer of the promotion.  4 A. Yes.  5 Q. Did the Authority follow through with the items  6 listed there in the letter? The first bullet point is  7 that you'll report directly to Ted Sexton and have  8 responsibility for all aspects of the Authority wide  9 landside operations and related activities. Is that  10 correct --  11 A. Yes.  12 Q. -- from October, 2003, to the end of your  13 employment?  14 A. That's correct.  15 Q. And at -- starting in October of 2003 did you  16 receive a biweekly salary of thirty-five hundred?  17 A. I believe that's correct.  18 Q. And were you entitled to participate in the  19 employee benefit plan?  20 A. That's correct.  21 Q. And you were an at-will employee as the third  22 bullet point indicates?  23 A. That's correct.  24 Q. And did you have any document that modified the  25 terms of that at-will agreement?</p>
<p>1 phased out or they were trying to phase him out of his  2 job in there and so that's why he was so integral in the  3 development of these. In fact, he probably put this --  4 this chart together here (indicating).</p> <p>5 Q. Did you have any understanding in 2004 as to  6 why a reorganization was being discussed as a  7 possibility?</p> <p>8 A. There was -- there was a thought -- there was a  9 thought at that particular time in a discussion that  10 Ted Sexton and I had that -- that several other VPs were  11 trying to kind of protect themselves and shade -- or  12 shed themselves of responsibilities and kind of hide  13 themselves. So if there was a re-org those areas of  14 responsibility would shift at that particular time and  15 they were no longer -- and they would no longer be held  16 liable for -- for those situations. And, you know, in  17 fact, that's -- in my mind that's kind of what happened  18 when the re-org finally came down.</p> <p>19 Q. When did your employment with the Authority  20 end?</p> <p>21 A. I don't have an exact date, February -- was it  22 February? Yeah, February, 2005.</p> <p>23 Q. 2006?</p> <p>24 A. 2006, I'm sorry, yes.</p> <p>25 Q. I'm looking at Exhibit 6, which is the</p>	<p>1 A. No. This is -- this was our employment  2 agreement.  3 Q. So there never was a document that guarantees  4 you employment for any specified period of time?  5 A. No. I didn't have a contract. The VPs had  6 contracts, I did not.  7 Q. What efforts did you make to find a position at  8 another company after you left the Authority?  9 A. What efforts -- what I did was I had made some  10 contacts with previous friends or people that I had done  11 business with to try to -- try to get employment. One  12 was at another airport and a couple were going back into  13 private -- private -- in a private -- one of which was  14 BAGS, Incorporated.  15 Q. When did you first start making inquiries about  16 other possible positions?  17 A. After I left -- after I left employment.  18 Q. Did you make any inquiries in January of 2006  19 to try to find another job anywhere?  20 A. In -- in -- when -- when it was becoming clear  21 to me, you know, in terms of the interviews and what was  22 coming back to me I -- I started just putting a list  23 together of possible people who I thought I would want  24 to work for. And -- and then not until my employment  25 history was terminated did I really start looking.</p>

29 (Pages 113 to 116)

<p style="text-align: right;">Page 117</p> <p>1 into -- into to trying to get another job.      2 Q. Which other airports did you look at as far as      3 potential job opportunities?      4 A. John Wayne, Jacksonville International.      5 Q. Did you look at any other airports as potential      6 places for employment?      7 A. No, just those two.      8 Q. Did you actually apply to John Wayne?      9 A. No.      10 Q. Did you actually apply to Jacksonville?      11 A. No.      12 Q. Were there any open positions that you were      13 aware of in 2006 at either of those airports?      14 A. There -- there was at John Wayne.      15 Q. What position are you aware of that was open at      16 John Wayne?      17 A. There was manager of landside operations at      18 John Wayne.      19 Q. And you did not apply for that job?      20 A. No.      21 Q. Why didn't you apply for it?      22 A. I had -- the window was too close and -- and at      23 that particular time after discussing with my wife I      24 didn't want to move from San Diego. So we -- we opted      25 not to -- or I opted not to apply for that position.</p>	<p style="text-align: right;">Page 119</p> <p>1 after I left employment with Airport Authority.      2 Q. Did you have a contact at BAGS, Incorporated --      3 A. Yes.      4 Q. -- before you submitted your application?      5 A. Yes.      6 Q. Who was your contact?      7 A. Dan Sherfield.      8 Q. How did you know Dan?      9 A. Dan had been in -- in San Diego over that past      10 year, year and a half working in setup operations for      11 BAGS, Incorporated in -- in San Diego, cruise ship      12 operations.      13 Q. And you knew him through your employment with      14 the Authority?      15 A. Yes.      16 Q. When did you first start working at BAGS,      17 Incorporated?      18 THE WITNESS: Do you remember what day that is,      19 April or May?      20 MS. CHINN: Yeah, it was March, April, May, maybe      21 in April.      22 THE WITNESS: April or May. It wasn't -- wasn't      23 right -- I want to say April or May.      24 MS. McDONOUGH:      25 Q. In 2006?</p>
<p style="text-align: right;">Page 118</p> <p>1 Q. What do you mean by the window was too close?      2 A. By the time -- by the time I -- my -- my      3 employment had ceased I believe that that Friday was --      4 was the day to -- to file for that position so there      5 was -- there was no way I was able -- going to be able      6 to put my resume together and submit it and then have      7 it -- have it filed as received by that particular day.      8 Q. So the application deadline for the John Wayne      9 position was in --      10 A. Yes.      11 Q. -- February, 2006?      12 What private companies did you look at?      13 A. I had just made basic inquiries with -- with      14 some parking companies, Standard Parking in L.A.,      15 Parking Concepts, none of which operate in San Diego,      16 and -- then BAGS, Incorporated.      17 Q. Did you submit an application or a resume to      18 Standard Parking or Parking Concepts?      19 A. No.      20 Q. Did you submit an application to BAGS,      21 Incorporated?      22 A. No. I believe -- I believe just a basic      23 application.      24 Q. So you did submit an application?      25 A. I believe so, for BAGS, Incorporated after --</p>	<p style="text-align: right;">Page 120</p> <p>1 A. Yes.      2 Q. What was your starting salary at BAGS,      3 Incorporated?      4 A. Ninety-five thousand per year.      5 Q. Have you received a raise since you started?      6 A. No.      7 Q. Do you anticipate receiving a raise soon based      8 on an annual evaluation or any other marker coming up?      9 A. No. My -- my contract is more incentive driven      10 than -- than particular milestones.      11 Q. Do you receive incentives in addition to your      12 base salary?      13 A. Incentives, yes, but they don't kick in until      14 after one year of employment.      15 Q. What incentives will you receive after your      16 first year of employment with BAGS, Incorporated?      17 A. At that particular time I am entitled to 10      18 percent of all -- of all new revenues that I'm able to      19 come up with in terms of net revenues to the company.      20 Q. Do you recall what your ending salary was at      21 the Authority?      22 A. A hundred and two, a hundred and three thousand      23 per year.      24 MS. CHINN: How much?      25 THE WITNESS: A hundred and two or a hundred and</p>

30 (Pages 117 to 120)

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1	three, right around there.	1	that they agree to -- to the employment. So it would
2	MS. McDONOUGH:	2	be -- it would be an email or a letter from me to them.
3	Q. What benefits do you receive at BAGS,	3	Q. So you sent your letter of employment in email
4	Incorporated?	4	form?
5	A. The only benefits I receive is health benefits	5	A. Yes.
6	for myself and my family, health benefits, medical and	6	Q. It's on your email and you can print it out?
7	dental.	7	A. Yes, ma'am.
8	Q. Do you have any sort of a 401K?	8	Q. Do you have anything that's actually signed --
9	A. No.	9	A. No.
10	Q. Are you eligible to participate in a 401K?	10	Q. -- as a letter of employment?
11	A. They don't have a 401K.	11	Did you submit a formal application or your resume
12	Q. Who is your supervisor?	12	to anyone other than BAGS, Incorporated after you left
13	A. Dan Sherfield.	13	your employment with the Authority?
14	Q. Have you received a performance evaluation of	14	A. No. Oh -- no.
15	any sort since you started?	15	Q. Did you see in your job search efforts any jobs
16	A. No.	16	for which you were qualified that you just decided not
17	Q. Have you received any informal performance	17	to apply?
18	evaluations or assessments?	18	A. I had -- I had looked at other positions but at
19	A. No.	19	that particular time I -- I wanted to pursue employment
20	Q. What is your title at BAGS, Incorporated?	20	with BAGS, Incorporated, or the opportunity.
21	A. I am -- I am regional director, west coast	21	Q. Did you look in the newspaper for a job after
22	operations.	22	you left the Authority?
23	Q. What are your job duties?	23	A. Have you tried to look in the newspaper for a
24	A. I oversee -- I oversee day-to-day operations in	24	job?
25	marketing and PR responsibilities for the following	25	Q. I'm asking the questions. Did you look in the
Page 122		Page 124	
1	cities, which are Dallas -- Dallas, Denver, San Diego,	1	newspaper for a job?
2	Los Angeles, San Francisco, Seattle and the	2	A. Briefly through the newspaper but -- but really
3	Hawaiian Islands.	3	focused on -- on Internet -- on Internet on industry
4	Q. What kind of a business is BAGS, Incorporated?	4	specific websites.
5	A. BAGS, Incorporated is a remote airline check-in	5	Q. Do you remember what the websites were?
6	service company.	6	A. Yeah, Parking Today, International Parking
7	Q. What do you mean by that?	7	Institute, the AAA, which is airport jobs on-line.
8	A. We -- BAGS, Incorporated currently represents	8	Q. Did you use any other job search --
9	seven -- seven major airlines that offer domestic	9	A. Word of mouth.
10	flights. We -- what BAGS, Incorporated has is	10	Q. -- or portals?
11	proprietary software that allows us to go to remote	11	A. No.
12	locations, locations other than -- than airport	12	Q. Monster Dot-Com or anything like that?
13	property, and offer passenger processing services.	13	A. No.
14	We're at convention centers, cruise ships, hotels,	14	Q. And word of mouth is your other source?
15	anywhere other than the airport and we can process	15	A. Word of mouth.
16	passengers for a fee.	16	Q. Did you see any job opportunities on the
17	Q. Do you have a contract of employment with BAGS,	17	websites that you looked at that were in the San Diego
18	Incorporated?	18	area?
19	A. I have a letter of employment with -- with	19	A. No.
20	them.	20	Q. Any in the Southern California area?
21	Q. Did you produce that letter in this litigation?	21	A. In -- only -- only the position at John Wayne.
22	A. I don't believe it was -- it was asked for in	22	But at that particular time I was more focused on
23	there, in the documentation.	23	retaining a position in San Diego.
24	Q. Do you have a copy of that at home?	24	Q. You mentioned earlier that you sent an apology
25	A. I have just a basic email that I sent to them	25	letter to Scott Jones --

31 (Pages 121 to 124)

		Page 125	Page 127
1	A. Yes.		
2	Q. -- at Ace Parking; is that correct?		1 Q. Had you and Scott Jones ever had any
3	A. That's correct.		2 communication where he accused you of stealing?
4	Q. Do you remember what the apology letter said?		3 A. Absolutely never. I had no reason to.
5	A. It was just -- it was an apology to him as		4 Q. Have you ever confronted Scott Jones about him
6	requested by John -- John Baumgartner just apologizing		5 accusing you of stealing from Ace?
7	for miscommunication -- for misunderstanding his request		6 A. No.
8	to valet the parking lot. That was the apology.		7 Q. Have you spoken to Scott Jones since you left
9	Q. Do you remember about how long the letter was?		8 Ace?
10	A. Maybe a paragraph or two.		9 A. Never.
11	Q. Was it handwritten?		10 Q. Are you aware that Scott Jones is a partial
12	A. No, it was typed.		11 owner of Lindbergh Parking?
13	Q. Did you take the responsibility for the		12 A. Yes. He is -- he is a minority owner.
14	misunderstanding in the letter?		13 Q. Do you know how much he owns?
15	A. At that particular time the way I phrased the		14 A. I believe it's 40 percent of the company.
16	letter was -- was more of a, yeah, I -- you know, I'll		15 Q. Did Scott Jones own 40 percent of
17	take responsibility because obviously I had		16 Lindbergh Parking when you were employed at the
18	misunderstood what you were asking. So it was just of a		17 Authority?
19	more of a mea culpa letter just hoping the whole thing		18 A. Yes, I believe so.
20	would go away.		19 Q. And Lindbergh Parking does business with the
21	Q. Did you feel that you had misunderstood --		20 Authority, or did when you were employed there; is that
22	A. Absolutely not.		21 correct?
23	Q. -- Scott Jones' instruction?		22 A. Yes.
24	A. Absolutely not.		23 Q. What's the relationship between
25	Q. Then why did you send the letter?		24 Lindbergh Parking and the Authority, if you know?
			25 A. Lindbergh Parking is a service provider of the
		Page 126	Page 128
1	A. Because if it's -- if it comes to either send		1 1 Airport Authority but Scott Jones as an individual is a
2	the letter or be fired you would send the letter as		2 partner, not as Ace Parking.
3	well.		3 Q. Did you ever have a parking pass from Ace while
4	Q. Do you remember when you sent the letter?		4 you were employed at --
5	A. No. It would have to have happened right		5 A. Yes.
6	around October -- October or November of 1999.		6 Q. -- the Authority?
7	Q. Did Scott Jones ever accuse you of stealing		7 Was the pass good at any of the Ace lots?
8	from Ace Parking?		8 A. No.
9	A. He had no reason to.		9 Q. What was the pass good for?
10	Q. Had you ever heard that before?		10 A. The parking pass was only good for Qualcomm
11	A. I had heard that before but that's pretty		11 stadium and -- and the ballpark downtown.
12	typical in -- that is pretty typical in -- in the		12 Q. Petco?
13	parking industry where if you have a valued employee		13 A. Yes.
14	it's just easier just to try to discredit him in that		14 Q. Where did you obtain the parking pass?
15	manner, well, he was stealing, that's why we fired him.		15 A. Steve Kits, who was a manager of those
16	Q. Who did you hear that from?		16 properties, happened to be a neighbor. We lived in the
17	A. Well, I had heard that after I left employment		17 same housing association. And he gave -- he gave that
18	when -- from Paul Chacon.		18 pass to me.
19	Q. So Paul Chacon told you that Scott Jones had		19 MS. CHINN: How do you spell his last name?
20	accused you of stealing --		20 THE WITNESS: K-I-T-T-S.
21	A. Yes.		21 MS. McDONOUGH:
22	Q. -- from Ace?		22 Q. And when did Steve give you the pass?
23	A. Uh-huh.		23 A. Probably a little bit after the Padres moved
24	Q. Did you ever steal from Ace?		24 downtown. I think I only had it for about a year so, I
25	A. No.		25 don't know, sometime around 2005.

32 (Pages 125 to 128)

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1	Q. And you had it for about a year?	1	Q. Just to clarify, at the time that Steve gave
2	A. If that, yeah.	2	you the parking pass he worked for Ace; is that correct?
3	Q. Do you still have it?	3	A. That's correct.
4	A. No.	4	Q. And you worked at the Authority at that time?
5	Q. What do you do with it?	5	A. Yes, ma'am.
6	A. It was only good -- It was only good for a	6	Q. What did that pass look like?
7	year. So after that year went out I threw it away.	7	A. It was just his business card.
8	Q. How many times did you use the pass?	8	Q. Steve's business card?
9	A. Maybe -- maybe a couple of times.	9	A. Yes.
10	Q. At Petco Park did the pass allow you to park	10	Q. Did it say anything on it?
11	right near the handicapped stalls?	11	A. It just said good for parking and then expires
12	A. No, no, you can never park in the handicapped	12	and he had his -- his signature on when it expired.
13	stalls.	13	Q. Was it laminated?
14	Q. Not in the handicapped stalls, near the	14	A. Yes.
15	handicapped stalls.	15	Q. Who laminated it?
16	A. I don't understand your question.	16	A. I had laminated it.
17	Q. Where were you allowed to park at Petco Park	17	Q. Did you laminate it -- laminate it at the
18	with that pass?	18	Authority?
19	A. In Tailgate Park.	19	A. I don't believe so.
20	Q. Was Steve -- oh, strike that.	20	Q. Where did you laminate it?
21	Do you know whether Steve knew that you worked for	21	A. I believe I went to either Kinko's or one of
22	the Authority when he gave you the pass?	22	those and had it laminated. I don't remember how I
23	A. Yes.	23	laminated it.
24	Q. Did you ever use the pass at Qualcomm?	24	Q. Did you ever receive one time parking passes
25	A. I may have used it once.	25	from Ace while you were employed at the Authority?
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1	MS. CHINN: Let me object to that. I don't think	1	A. Excuse me?
2	it's -- I think it's not relevant, lacks foundation.	2	Q. Passes good for one time use at lots other than
3	Who cares? Does Steve Kitts work for Ace Parking?	3	Qualcomm or Petco Park?
4	THE WITNESS: No, he doesn't work for Ace Parking	4	A. Yeah, we had received those many times at the
5	any more.	5	request of the Airport Authority and staff itself, not
6	MS. CHINN: Who does he work for?	6	only myself but there was special requests made for --
7	THE WITNESS: He works for NFL Transportation.	7	or by Authority for Authority functions, that we
8	MS. McDONOUGH:	8	provided those as well.
9	Q. He worked for Ace at the time though, correct?	9	Q. Did you request that Jim Myhers give you passes
10	A. Yeah, but Ace didn't work for the	10	to park in his parking lots?
11	Airport Authority.	11	A. Jim Myhers is -- his LPI would not do anything
12	Q. I'm asking the questions. I'm going to ask the	12	for us.
13	questions.	13	Q. Just answer my question.
14	A. Okay.	14	A. From --
15	Q. You can object and --	15	Q. Did you ever request Ace parking passes from
16	MS. CHINN: She doesn't understand it.	16	Jim Myhers?
17	THE WITNESS: Okay.	17	A. Yes.
18	MS. CHINN: That's okay, just keep going.	18	Q. On how many occasions?
19	MS. McDONOUGH:	19	A. Maybe a couple, maybe a few.
20	Q. Did you use the parking pass at Qualcomm?	20	Q. Did you use those parking passes?
21	A. I may have used it on -- on one or two	21	A. Primarily those passes were for other Authority
22	occasions.	22	employees who were requesting those passes.
23	Q. Do you know what event you used it for at	23	Q. Did you ever use those passes?
24	Qualcomm?	24	A. I'm trying to remember if I ever used those.
25	A. No.	25	I -- I don't remember.

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1	Q. At the time that you requested those Ace parking passes from Jim Myhers was he working for LPI?	1	A. Ted Sexton.
2	A. He was working for LPI.	2	Q. Did Ted tell you that -- strike that.
3	Q. And LPI is Lindbergh Parking International; is that correct?	3	Did you pay Ace Parking or Dave Mullear for those parking passes?
4	A. No.	4	A. I believe -- I don't remember to be honest with you.
5	Q. Or Lindbergh Parking Incorporated, sorry.	5	Q. I should ask a better question. Did the Authority pay Dave Mullear or Ace Parking for those passes, to your knowledge?
6	A. That's correct.	6	A. I don't remember. I don't believe they did.
7	Q. Do you know how Jim Myhers was able to get Ace parking passes while he was working at LPI?	7	Q. Did Ted Sexton ask you to get those parking passes for free from Ace Parking?
8	A. I believe he would then submit a request to Dave Mullear for those passes.	8	A. I believe he said to get them however you can.
9	Q. Who is Dave Mullear?	9	Q. Did Ted ever tell you that the -- that the Authority did not want to pay for those passes?
10	A. Dave Mullear was vice-president of operations. He -- he through a sequence of time had taken over my old position with Ace Parking.	10	A. Once again, he said get them however you can get them.
11	Q. So Dave Mullear was vice-president of operations for Ace Parking?	11	Q. Do you know about how many passes were obtained for Mr. A's building?
12	A. That's correct.	12	A. Maybe 30 or 40.
13	Q. Do you know if Jim Myhers had to pay for those passes from Ace Parking?	13	Q. And you said that Authority employees who volunteered at the event in Balboa Park used them?
14	A. I'm not sure.	14	A. Yes.
15	Q. You said that you requested Ace parking passes from Jim Myhers on behalf of Authority employees?	15	Q. Do you remember what the function was at Balboa Park?
16	A. That's correct.		
Page 134		Page 136	
1	Q. What did you request on behalf of?	1	A. I remember what the function was but it was part of that community outreach for the -- the vote initiative for airport site selection.
2	A. We had -- for example, we had an occasion where -- where the Authority was having a function at Balboa Park. And it was kind of a community outreach program where we knew parking was going to be tough up in -- up in Balboa Park. So the request was made of -- of Dave to provide parking passes for Airport Authority employees for those who were going to volunteer for that event. So we received -- we received passes for -- we received those passes and gave them to the Authority employees who ended up parking in the Mr. A's building.	2	Q. Do you know of any reason why the employees could not have pulled into Mr. A's and parked themselves without these passes?
3	THE REPORTER: In what building?	3	MS. CHINN: That calls for speculation. Answer if you can.
4	THE WITNESS: Mr. A's.	4	THE WITNESS: It had been pretty clear or it was pretty clear to -- to everyone, staff included, that unless we secured parking somewhere that employees would not be able to get to -- to the function.
5	MS. McDONOUGH:	5	MS. McDONOUGH:
6	Q. Do you remember when those passes were requested from Dave?	6	Q. Unless you secured parking in advance?
7	A. It might have been -- I'm going -- I'm going to estimate that it was --	7	A. That's correct.
8	MS. CHINN: You don't have to guess. If you don't know, say so.	8	Q. Were there any other occasions where you asked Dave Mullear or Jim Myhers for Ace parking passes?
9	MS. McDONOUGH:	9	A. There was other occasions where employees --
10	Q. An estimate is perfectly fine.	10	where just employees in general had asked for some parking passes because they were going downtown. So we would -- I didn't see any harm in it so I would ask and sometimes he would give them, sometimes he wouldn't.
11	A. Probably summer of 2005.	11	Q. Who specifically asked for parking passes for downtown?
12	Q. Who requested that you obtain those parking passes?	12	A. Specific names I don't -- I don't recall.

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Page 137	Page 139
<p>1 Q. Do you recall anyone that asked for a parking 2 pass?</p> <p>3 A. You know, I know my -- my assistant asked a 4 couple of times.</p> <p>5 Q. Jennifer Hamilton?</p> <p>6 A. Yes, uh-huh.</p> <p>7 Q. Did you obtain passes for her?</p> <p>8 A. No. I think that the times that she wanted it 9 we provided it because she has a Weiner dog and they had 10 this Weiner dog festival down at Petco before one of the 11 games. And --</p> <p>12 MS. CHINN: It wasn't a festival. It was an event.</p> <p>13 THE WITNESS: Or an event. And so really she asked 14 for it and she just -- she borrowed -- she just borrowed 15 my pass from Ace Parking.</p> <p>16 MS. CHINN: Weiner dogs do not drive.</p> <p>17 THE WITNESS: Oh, I'm sorry.</p> <p>18 MS. McDONOUGH:</p> <p>19 Q. So Jennifer Hamilton borrowed your laminated 20 business card pass?</p> <p>21 A. Yes.</p> <p>22 Q. Did you ask Jim Myhers prior to actually 23 giving -- oh, strike that.</p> <p>24 Did you ever ask Jim Myhers for a separate pass for 25 Jennifer Hamilton for that event?</p>	<p>1 Q. Do you know how much parking is in the 2 Petco Tailgate Park?</p> <p>3 A. No, I don't.</p> <p>4 MS. CHINN: It's free with the pass, isn't it?</p> <p>5 MS. McDONOUGH: We'll go ahead and take a break.</p> <p>6 MS. CHINN: What type of Weiner dog does she have?</p> <p>7 THE VIDEOGRAPHER: Off the record at 2:32. (A recess is taken.)</p> <p>9 THE VIDEOGRAPHER: Back on the record at 2:47.</p> <p>10 MS. McDONOUGH:</p> <p>11 Q. Is there any reason why you cannot continue to 12 give your best testimony?</p> <p>13 A. No.</p> <p>14 Q. Earlier you testified that we, was the term you 15 used, would get the passes or ask Dave Mullear for 16 passes. Who were you referring to when you said we?</p> <p>17 A. We, just in general, where the passes -- who we 18 asked the passes or of -- just whenever requests was 19 made for passes. We had just meant it as anyone in the 20 Airport Authority who came to me and said, look, can I 21 get a pass for this or there's an event down here, can 22 you help me get some passes. That's what I meant by we.</p> <p>23 Q. Do you know why employees of the Authority 24 would come to you and ask you to obtain parking passes?</p> <p>25 A. Because they knew that -- they knew that I was</p>
Page 138	Page 140
<p>1 A. I don't remember, don't recall.</p> <p>2 Q. Did you ask Dave Mullear for a pass for 3 Jennifer Hamilton for that Weiner dog event?</p> <p>4 A. I -- I don't -- I don't remember.</p> <p>5 Q. Did you ask Jim Myhers for a parking pass on 6 any other occasion other than those that you talked 7 about?</p> <p>8 A. I don't -- I don't recall if I did.</p> <p>9 Q. Did you ask Dave Mullear for a parking pass on 10 any other occasion?</p> <p>11 A. I don't recall if I did.</p> <p>12 Q. Did anyone else use your laminated parking pass 13 other than Jennifer and you?</p> <p>14 A. We had -- we had lent them out to other 15 employees who -- who had asked for them. We had one gal 16 who worked environmental who asked for the pass a couple 17 times. Matt Connor, who doesn't work for the 18 Airport Authority, had asked for the pass a couple 19 times.</p> <p>20 Q. Who is the girl in environmental who asked for 21 the pass --</p> <p>22 A. I don't remember her name.</p> <p>23 Q. Do you know if anyone else used your laminated 24 parking pass?</p> <p>25 A. Specific people I don't -- I don't remember.</p>	<p>1 with -- you know, that I had come as vice-president -- 2 from -- as -- from a position of vice-president of 3 operations for -- for Ace Parking. And I still maintain 4 a good working relationship with -- excluding the owner, 5 you know, I still maintain a good working relationship 6 with a lot of the employees, I mean specifically the 7 front line employees out there.</p> <p>8 Q. Why did you ask Jim Myhers for Ace parking 9 passes?</p> <p>10 A. Jim -- Jim would see -- Jim would see 11 Dave Mullear more often than I ever did so I would just 12 ask Jim, hey, if you get a chance to see him, if you 13 don't, you don't, but this is a request that's been 14 made, you know, can you follow through on it, if you 15 can.</p> <p>16 Q. Do you know why Jim Myhers saw Dave Mullear 17 more often?</p> <p>18 A. Because he had -- Dave Mullear would see -- I 19 mean Jim would see Dave more often than he would anyone 20 else down there with Ace. I mean that was his -- if he 21 needed to talk to someone at Ace it would be 22 Dave Mullear.</p> <p>23 Q. Do you know why Jim would need to talk to 24 someone at Ace?</p> <p>25 A. Why he would need to speak to someone at Ace?</p>

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1 Q. Yes.		1 A. I don't recall.	
2 A. No. I mean that was -- that's -- that was	out -- that's his deal with Ace.	2 Q. If Jim Myhers testifies that you did ask him	3 for a parking pass for personal use would that be a lie?
3		4 MS. CHINN: Objection, that calls for sheer	5 speculation, lacks foundation.
4 Q. And you received parking passes from	Jim Myhers?	6 THE WITNESS: Again, I can't -- I can't respond to	7 what he would and would not testify.
5		8 MS. McDONOUGH:	
6 A. Parking -- no, I never received parking passes	from --	9 Q. I'm just asking if he says Jose Hernandez asked	10 me for a parking pass for personal use from Ace Parking
7		11 would he be lying? [QUES]	
8 Q. Did you ever receive a business card from	Jim Myhers --	12 MS. CHINN: It calls for sheer speculation, lacks	13 foundation. Don't answer it. There's no reason --
9		14 MS. McDONOUGH: You're instructing him not to	15 answer that?
10 A. No.		16 MS. CHINN: I don't think he should. I think he's	17 answered -- are you going to answer it differently than
11 Q. -- that he got from Ace that would allow you to	park anywhere?	18 you've already --	
12 A. No. Jim Myhers -- Jim Myhers and LPI -- LPI	only runs airport properties and -- and LPI does not run	19 THE WITNESS: No.	
13 any parking properties. His card would be -- would not	have any value whatsoever.	20 MS. CHINN: -- answered it? Then, you know, you're	21 just harassing him.
14 Q. I'm not asking if you used Jim Myher's cards	but did Jim Myhers ever give you cards from Ace to use	22 MS. McDONOUGH: Can you reask the question?	
15 as parking passes?		23 MS. CHINN: Is it Myher or Myhers?	
16 A. Yes.		24 MS. McDONOUGH: Myhers. It's M --	
17 Q. On how many occasions?		25 MS. CHINN: There's an S?	
18 A. A few, maybe -- just a few times, exact numbers	I don't know.		
19 Q. Do you remember when he gave you those			
20 parking --			
Page 142		Page 144	
1 A. No, I don't.		1 MS. McDONOUGH: M-H-Y-E-R-S.	
2 Q. -- passes?		2 MS. CHINN: I know that.	
3 Do you know whose business card it was that he gave	you?	3 MS. McDONOUGH: No, it's not Myhers, Mhyer,	4 M-H-Y-E-R.
4		5 THE WITNESS: No.	
5 A. Dave Mullear's.		6 MS. McDONOUGH: M-Y-H-E-R?	
6 Q. Was it just the card or was there something	signed on it?	7 MS. CHINN: M-Y-H-E-R. Thanks for your help.	
7		8 MS. McDONOUGH: Just trying to run you in circles.	
8 A. Just a card and a signature, said one time use	only.	9 MS. CHINN: I can do that by myself but thank you	10 for your help again.
9		11 (The record is read by the reporter.)	
10 Q. Did you ask Jim Myhers for the parking pass or	the business card?	12 THE WITNESS: Once again, I'm not sure what he	13 would testify for or not -- to or not.
11		14 MS. McDONOUGH:	
12 A. What do you mean? I don't --		15 Q. I'm not asking what you think he would testify	16 to. I'm saying if Jim Myher says Jose Hernandez asked
13 Q. Did you ask Jim Myhers to obtain Dave Mullear's	business card for you?	17 me to obtain free parking passes for him from Ace would	18 he be lying if he said that?
14		19 MS. CHINN: Same objection.	
15 A. Yeah, when they would -- when a request was	made, hey, can you help me find parking here or here I	20 THE WITNESS: I'm not sure.	
16		21 MS. McDONOUGH:	
17 would ask Jim and that's how it would come back as --	you know, as Dave Mullear.	22 Q. Did you ask him for parking passes for personal	23 use?
18		24 A. I'm not sure. I don't recall if I did. I know	25 the majority of the times they were asked were for other
19 Q. Did you ever ask Jim Myhers for Dave Mullear's	business card to use as a parking pass for your own		
20			
21 personal use?			
22 A. I don't recall.			
23 Q. Did you ever tell Jim Myhers, hey, I want to			
24 park downtown for an event, can I please have a parking			
25 pass from Ace?			

36 (Pages 141 to 144)

HERNANDEZ vs. SAN DIEGO COUNTY RE

L AIRPORT December 18, 2006

JOSE DE JESUS HERNANDEZ

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1	people besides myself.	1	Q. Did you have any food while you were at that
2	Q. Have you told me everyone for whom you	2	game?
3	requested parking passes?	3	A. I don't remember.
4	A. I'm sure there's others but I don't recall	4	Q. Do you recall anyone from Ace Parking buying
5	their names at this time.	5	you any food at the game or drinks?
6	Q. Can you estimate how many times you used your	6	A. I can't remember.
7	laminated Ace Parking pass?	7	MS. McDONOUGH: We'll mark as Exhibit 8 a copy of
8	A. I believe I answered that question already.	8	Chargers tickets. [EXH]
9	MS. CHINN: I think you did too.	9	THE WITNESS: Uh-huh.
10	MS. McDONOUGH:	10	MS. McDONOUGH:
11	Q. You answered for Qualcomm.	11	Q. Is this the game that you were referring to?
12	A. Yeah, maybe combined -- I believe you asked	12	A. I believe it is, uh-huh.
13	both, at Qualcomm and at Petco, and probably no more	13	Q. And these are the tickets that you received
14	than a handful.	14	from Ace Parking?
15	Q. A handful being five or six?	15	A. I don't know because I don't know which ones --
16	A. If that, yeah.	16	which ones we had. So if -- if you're saying these are
17	Q. Did you ever obtain tickets to sporting events	17	it then I'm just assuming they are.
18	from Ace Parking?	18	MS. CHINN: No, don't do that. She doesn't know.
19	A. Yes.	19	THE WITNESS: I'm not sure. I don't -- I can -- I
20	Q. On how many occasions?	20	don't know which tickets we got from them. I know I
21	A. I believe once.	21	don't have them.
22	Q. For what event?	22	MS. McDONOUGH:
23	A. I believe it was a Raider game.	23	Q. How do you know that this is the game that you
24	Q. Do you remember the year?	24	attended with Ace Parking?
25	A. No, I don't.	25	A. I'm looking -- the only thing I'm looking at
Page 146		Page 148	
1	Q. Did you attend the game?	1	is -- is where it says Raiders, what tickets, where we
2	A. Yes.	2	sat. All I know is they were in -- in the Gold section
3	Q. Who did you attend with?	3	and that was it.
4	A. With Dave Mullear, Steve -- Steve with --	4	MS. CHINN: Okay. So you don't recognize this
5	Steve Burton with Ace and Amiel Porta.	5	document?
6	Q. Who paid for the tickets?	6	THE WITNESS: No, I -- no.
7	A. I'm not sure.	7	MS. McDONOUGH:
8	Q. Did you pay for them?	8	Q. Was there ever an occasion where Ace Parking
9	A. I -- no.	9	sent you some tickets and you called Carol from the
10	Q. Do you know if Amiel Porta paid for them?	10	Authority and asked her to put the tickets in a safe
11	A. I'm not sure. I never asked him.	11	place for you?
12	Q. Where were the seats located?	12	A. I don't -- I don't remember.
13	A. Those seats ended up being in the -- in the	13	Q. Do you know who I'm referring to when I say
14	Gold section.	14	Carol?
15	Q. The Gold section?	15	A. No. Which Carol?
16	A. Gold.	16	MS. McDONOUGH: What was her last name? Is it
17	Q. Gold?	17	Mahaffey?
18	A. Uh-huh.	18	MS. GONZALEZ: Mahaffey.
19	Q. I assume that's a good section?	19	MS. McDONOUGH:
20	A. It's sort of, depends.	20	Q. Carol Mahaffey?
21	MS. CHINN: Let's face it, it's not the Diamond	21	A. I don't know.
22	section.	22	Q. Do you know who she is?
23	MS. McDONOUGH:	23	A. Yeah, she works for me.
24	Q. Do you know how much the tickets cost?	24	Q. Do you have any recollection of calling her and
25	A. No.	25	asking her to put some tickets away for you?

37 (Pages 145 to 148)

<p style="text-align: right;">Page 149</p> <p>1 A. I don't remember.    2 Q. Did you ever attend any Padres games with    3 tickets provided by Ace?    4 A. Yes. I believe one game we sat in -- in the    5 home plate box.    6 Q. Who attended that game?    7 A. In that particular game was Dave Mullear,    8 myself, Jeff Rasor, which is the station manager for    9 Delta, and Chris -- I forget Chris' last name but he was    10 with Southwest Airlines.    11 Q. Do you know who paid for the tickets?    12 A. No.    13 Q. Did you pay for the tickets?    14 A. I did not.    15 Q. While you were working at the Authority do you    16 know whether Ace Parking ever did business with the    17 Authority?    18 A. The Ace Parking -- Ace Parking I don't believe    19 had -- in the -- I don't believe they had a direct    20 service agreement with Airport Authority, no.    21 Q. Did they have any sort of a business    22 relationship with the Airport Authority, to your    23 knowledge?    24 A. No, their agreement -- their agreement, which I    25 believe you're referring to, was the parking management</p>	<p style="text-align: right;">Page 151</p> <p>1 MS. McDONOUGH:    2 Q. They did not have a business relationship?    3 A. No.    4 Q. Do you know whether Ace Parking ever tried to    5 obtain any sort of a business relationship with the    6 Authority while you were working there?    7 A. They did.    8 Q. What do you know about that?    9 A. There was -- immediately after or about a year    10 after the parking management agreement was renewed for    11 LPI, which is a five year agreement, a request was made    12 by -- by Maurice -- by Maurice Gray to sell his interest    13 to Scott Jones as an individual, with -- with Ace then    14 assuming the management rights to the parking -- parking    15 management.    16 Q. Do you know about what year that was?    17 A. That was -- I want to say right around January,    18 2005.    19 Q. Prior to January, 2005, do you know whether    20 Ace Parking was trying to set up some sort of business    21 relationship with the Authority?    22 A. No.    23 Q. Do you recall when you attended the Padres    24 game --    25 A. No.</p>
<p style="text-align: right;">Page 150</p> <p>1 agreement which is -- which is LPI and Scott Jones as an    2 individual. But to my understanding Ace Parking does    3 not have a direct service agreement with    4 Airport Authority.    5 Q. I'm not referring to anything so you don't --    6 A. Okay.    7 Q. Please don't assume for my question that I'm    8 referring to something.    9 MS. CHINN: Believe me, she doesn't know.    10 THE WITNESS: Okay. I'll strike -- the    11 Airport Authority -- the Airport Authority did not    12 have --    13 MS. CHINN: You can't strike your own answer.    14 THE WITNESS: -- a direct service agreement --    15 no, no, no. I'm just --    16 MS. CHINN: Don't try to be a lawyer.    17 MS. McDONOUGH:    18 Q. A clean question and answer.    19 A. Okay.    20 Q. Do you know whether Ace Parking had any sort of    21 business relationship with the Authority while you were    22 working for the Authority?    23 A. No, that --    24 MS. CHINN: Yes or no.    25 THE WITNESS: No.</p>	<p style="text-align: right;">Page 152</p> <p>1 Q. -- with Dave Mullear?    2 A. I don't recall.    3 Q. Do you remember who played in the game?    4 MS. CHINN: Oh, please.    5 THE WITNESS: No, I don't recall.    6 MS. CHINN: There's only a hundred eighty of them.    7 MS. McDONOUGH:    8 Q. Do you remember what year?    9 A. I believe it was 2005.    10 Q. In the spring?    11 A. All baseball is in the spring.    12 MS. CHINN: I wasn't going to say it.    13 MS. McDONOUGH:    14 Q. Well, it goes for quite a while. But do you    15 know if it was the very -- in the beginning of the year    16 or --    17 A. I don't know.    18 Q. -- at the end or the season I should say?    19 A. It was within the season.    20 Q. No, the beginning -- do you know if it was in    21 the beginning of the season, the middle of the season,    22 the end of the season?    23 A. I don't remember. I just remember it was    24 Jeff Rasor and Chris and Dave Mullear.    25 Q. Okay. Do you remember if any of these other</p>

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1	individuals bought you any concessions while you were at	1	Q. Do you know who gave them to?
2	the game?	2	A. Just some people that were there, asking if
3	A. No, I don't remember.	3	they wanted to go to the game tomorrow and we gave them
4	Q. Did you attend any other sporting events with	4	away.
5	Dave Mullear other than the Padre game and --	5	Q. Did you tell Cheryl that you gave away the
6	A. I had -- I had gone to other baseball games but	6	tickets?
7	with tickets that -- that I -- that I had purchased.	7	A. No.
8	Q. Did you receive any other sporting events	8	Q. Do you know if Cheryl knows whether you
9	tickets from Ace Parking other than the Padre game and	9	attended that game or not?
10	the Charger game?	10	A. She never asked.
11	A. I don't remember.	11	Q. So she doesn't know one way or the other?
12	MS. CHINN: Wait a second. That mischaracterizes	12	A. No, she -- I don't know.
13	his testimony. As I recall, you said you didn't know	13	MS. CHINN: You know what --
14	who paid for the tickets. Is that correct? You said	14	THE WITNESS: I don't know what she knows.
15	you didn't know who paid for the tickets.	15	MS. CHINN: -- that calls for speculation.
16	THE WITNESS: No, I don't know who paid -- if	16	MS. McDONOUGH:
17	you're -- could you rephrase your question then?	17	Q. You mentioned that you had bought tickets to
18	MS. McDONOUGH: That's okay. We can move on.	18	some sort of sporting event right before Cheryl Black
19	Q. Do you know who Veronica Moreno is?	19	gave you those two tickets?
20	A. Yes.	20	A. Yeah, we had -- we had coordinated an outing
21	Q. Who is that?	21	with Southwest so I had gone out and -- and received
22	A. Veronica Moreno is the customer -- was the	22	four tickets from my neighbor who works for the Padres
23	customer service manager for Southwest Airlines.	23	and said, hey, can I get four tickets to -- to take a
24	Q. Did you ever attend any sporting events with	24	group of Southwest Airlines people with me.
25	her?	25	He took them -- my friend who works for the Padres,
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1	A. I don't recall.	1	which is my neighbor, took them out of his personal bank
2	Q. Did you ever receive sporting events tickets	2	and said, hey, if you want to use them, go ahead and use
3	from Southwest Airlines?	3	them. That afternoon -- that afternoon about
4	A. We had -- I had -- I had received two tickets	4	2:00 o'clock -- and the game is obviously at 7:00 -- I
5	to a football game which I couldn't use.	5	received a call from Cheryl saying, hey, Cheryl --
6	Q. Who did you receive those tickets from?	6	Cheryl telling -- informing me that she couldn't go to
7	A. From Cheryl Black.	7	the game. At that particular time I had no one else to
8	Q. When did you receive those?	8	give those tickets to so they went -- they went bad,
9	A. I don't recall. It was -- it was sometime in	9	unused.
10	2005, football season.	10	Q. Did you go?
11	Q. Did you accept the tickets from Cheryl?	11	A. No.
12	A. Yeah. She had mentioned -- she had mentioned	12	Q. Who was your friend that works for the Padres?
13	to me that she had two extra tickets and didn't know how	13	A. David Stearns.
14	to get rid of them, if I knew anyone who -- who would be	14	Q. Did you ask the Authority to purchase tickets
15	able to use the tickets.	15	so that you could take Southwest?
16	Q. Did you -- and so you took the tickets?	16	A. No.
17	A. Yes. I took the tickets because she said she	17	Q. Did you receive any other sporting events
18	felt bad that I had purchased the week before that four	18	tickets from Southwest Airlines?
19	tickets to a baseball game and her and her group	19	A. I don't believe so.
20	couldn't end up going to that game. So she just felt	20	Q. Did Mike Parrish ever give you sporting events
21	bad and she was trying to make it right.	21	tickets?
22	Q. And what did you do with the tickets?	22	A. I don't -- I don't recall if he did.
23	A. I believe that day before I had gone to an	23	Q. Did you ever attend any sporting events with
24	Aztec game and on my way in to the Aztec game I gave	24	Mike Parrish?
25	those tickets away.	25	A. Yes. On -- on several occasions I took him

<p style="text-align: right;">Page 157</p> <p>1 to -- to baseball games.      2 Q. How did you obtain the tickets? Did you      3 purchase them?      4 A. I had either purchased them or I received them      5 from my neighbor across the street, my neighbor,      6 David Stearns.      7 Q. Did you receive sporting events tickets from      8 Hawaiian Airlines?      9 A. Did I receive -- I don't -- I don't recall if I      10 did, no.      11 Q. Do you recall Janet Nix giving you      12 Charger/Raider tickets in 2004?      13 A. I don't -- I don't remember.      14 Q. Do you know if you went to the Charger/Raider      15 game in 2004 with Amiel Porta?      16 A. I'm not sure. I don't remember.      17 Q. Did you receive sporting events tickets from      18 any other airline other than what you've already      19 testified to?      20 A. I don't believe so.      21 Q. Did you receive sporting events tickets from      22 any entity that did business with the Authority while      23 you were an Authority employee other than the tickets      24 you received from Cheryl Black?      25 A. I -- I don't believe so.</p>	<p style="text-align: right;">Page 159</p> <p>1 wasn't required to pay one so he never asked me to pay      2 one. What we did was when we were down there -- when we      3 were down there for the golf tournament I paid for his      4 dinners and -- and some cocktails as we went through.      5 So he just assumed that would be a trade-off.      6 Q. Do you know who gave the tournament passes to      7 Mike Parrish?      8 A. He did. He's -- it's -- it's their tournament.      9 It's their charity golf tournament.      10 Q. So Southwest gave him --      11 A. He gave himself. It's his -- it's a station      12 specific -- it's their way that they raise money for the      13 Ronald McDonald House.      14 So in return I go down with him or I would go and      15 play golf with them. And then what I would do is I      16 would contribute door prizes or -- or raffle prizes to      17 them. We would go down there. You know, I would play      18 golf with them. I would buy them dinner and some drinks      19 and then we just called it even at the end of the day.      20 Q. Do you know how much the entrance fee was      21 for --      22 A. I think it's \$80.      23 Q. And you think that Mike Parrish paid that on      24 your behalf?      25 A. No, Mike Parrish didn't have to pay it. It</p>
<p style="text-align: right;">Page 158</p> <p>1 Q. Did you go on a charity golf tournament in      2 Mexico as sponsored by Southwest?      3 A. Yes, I did.      4 Q. How many years did you do that?      5 A. I believe I went two years.      6 Q. What was the first year that you went?      7 A. I think it was 2004. I think I went 2004,      8 2005.      9 Q. Did someone from Southwest ask you to attend      10 that event?      11 A. Yeah, Mike Parrish.      12 Q. Do you know what month the event was in?      13 A. I believe it's in September.      14 Q. How did you get to the event in 2004?      15 A. I was -- Mike -- Mike Parrish, who is a station      16 manager, he as -- he as station manager, he has a      17 foursome that he gets. And he had asked if I would like      18 to attend with this foursome. And I had asked Ted if it      19 would be okay if I went down to the game with -- I would      20 go down and play golf in this golf tournament and he      21 said it would not be a problem if I went. I had to let      22 him know where I was going to go.      23 Q. Did you pay an entrance fee for the golf      24 tournament in 2004?      25 A. No, because Mike -- it was given to Mike. He</p>	<p style="text-align: right;">Page 160</p> <p>1 was -- it was no -- it was no cost to him.      2 Q. Who paid for the entrance fee?      3 A. He didn't have to. There was no -- there      4 was -- as station manager he was allocated a foursome.      5 It wasn't required for him to pay any fee. He was --      6 there was no -- there was no fee attached to his      7 foursome.      8 Q. The point of the golf tournament is to make      9 money for some charity; is that correct?      10 A. Uh-huh.      11 Q. And it's -- they make money through the      12 entrance fees, correct?      13 A. More -- more raffle than the entrance fees.      14 The entrance fees just go to cover -- just go to cover,      15 you know, golf to go down there. But it's more on the      16 raffle side.      17 Q. Did Southwest Airlines pay for the entrance fee      18 for you?      19 A. No. There was no -- there was no --      20 Mike Parrish was not required to pay for his foursome.      21 Q. I'm not asking what Mike Parrish did. Did      22 somebody at Southwest Airlines, including the      23 corporation itself, pay for your entrance fee?      24 A. No.      25 Q. How do you know that?</p>

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<p style="text-align: right;">Page 161</p> <p>1 A. Because there was no fee. Mike Parrish did not 2 have to pay for that foursome.</p> <p>3 Q. Mike Parrish is not Southwest Airlines.</p> <p>4 A. He's the station manager who puts the 5 foursome -- he just -- he has that allocated.</p> <p>6 Q. How do you know that Southwest Airlines as a 7 corporation did not pay your entrance fee for that 8 charitable golf tournament?</p> <p>9 A. How do you know they did?</p> <p>10 Q. Don't get smart with me. I'm asking you a 11 question.</p> <p>12 MS. CHINN: Wait a minute. Wait a minute. I think 13 you're harassing him.</p> <p>14 MS. McDONOUGH: I'm not harassing him. I'm asking 15 him a question.</p> <p>16 MS. CHINN: Well, you are in a way. And I think 17 you're getting smart with him.</p> <p>18 MS. McDONOUGH: I'm asking a question that I need a 19 response to.</p> <p>20 THE WITNESS: My -- the -- the answer to your 21 question was, no, they did not. He was not required, no 22 one paid for my entrance fee.</p> <p>23 MS. McDONOUGH:</p> <p>24 Q. How do you know that Southwest did not pay for 25 your entrance fee?</p>	<p style="text-align: right;">Page 163</p> <p>1 room but it was all part of the trade-off for buying 2 drinks and dinner.</p> <p>3 Q. Where did you go for dinner when you paid for 4 Mike's dinner?</p> <p>5 A. We went down to Puerto Nuevo.</p> <p>6 THE REPORTER: Where?</p> <p>7 THE WITNESS: Puerto Nuevo, for lobster.</p> <p>8 MS. CHINN: How do you spell it?</p> <p>9 THE WITNESS: P-U-E-R-T-O, Nuevo, N-U-E-V-O.</p> <p>10 MS. McDONOUGH:</p> <p>11 Q. How much did you pay for dinner?</p> <p>12 A. Yeah, it was over -- I remember his portion and 13 mine was easily over a hundred, hundred fifty dollars.</p> <p>14 Q. Just for dinner and drinks?</p> <p>15 A. Yeah.</p> <p>16 Q. Did you put it on a credit card?</p> <p>17 A. No, just paid cash.</p> <p>18 Q. Did you pay for Amiel as well?</p> <p>19 A. I don't remember. I think Amiel had paid.</p> <p>20 I -- I can't remember how we did that. All I -- all I 21 remember is the majority of that bill we -- we picked 22 up.</p> <p>23 Q. Did Southwest Airlines host any dinners or 24 cocktail hours or any sort of events at the golf 25 tournament?</p>
<p style="text-align: right;">Page 162</p> <p>1 A. I don't.</p> <p>2 MS. McDONOUGH: That's not a hard question to 3 answer, Cathryn.</p> <p>4 MS. CHINN: Yeah, but you're talking to him like 5 the way you talk to your kids and it's not good.</p> <p>6 MS. McDONOUGH: Well, that's -- we have a 7 videotape.</p> <p>8 MS. CHINN: Thank God.</p> <p>9 MS. McDONOUGH:</p> <p>10 Q. Did you take anyone from the Authority with you 11 to Mexico for the golf tournament in 2004?</p> <p>12 A. Yes. As part of that foursome he also invited 13 Amiel Porta to come along with us.</p> <p>14 Q. Mike Parrish invited Amiel Porta?</p> <p>15 A. Yes.</p> <p>16 Q. Did Amiel go with you in the car?</p> <p>17 A. Yes.</p> <p>18 Q. Where did you stay when you were down there?</p> <p>19 A. We stayed at the resort.</p> <p>20 Q. Do you remember the name of the resort?</p> <p>21 A. Real Del Mar.</p> <p>22 Q. How many nights were you there?</p> <p>23 A. Just one night.</p> <p>24 Q. Who paid for the room in 2004?</p> <p>25 A. I believe -- I believe Mike had paid for the</p>	<p style="text-align: right;">Page 164</p> <p>1 A. No. The dinner was included. The dinner was 2 after the event was included in there. But your 3 cocktail hour afterwards were part of, you know, the 4 cash bar up at the bar up on top.</p> <p>5 Q. Did you pay for your own cocktails at the cash 6 bar?</p> <p>7 A. Yeah.</p> <p>8 Q. You mentioned that you bought door prizes?</p> <p>9 A. Yes.</p> <p>10 Q. What prizes did you buy?</p> <p>11 A. We had -- I had gone through and bought golf 12 balls, golf gloves, golf bags, just to contribute to -- 13 just to contribute back to -- to the event, just as a 14 way to -- to pump up their -- their raffle prizes.</p> <p>15 Q. Do you have receipts for those?</p> <p>16 A. No, I don't.</p> <p>17 Q. Did you buy those items with a credit card?</p> <p>18 A. No.</p> <p>19 Q. Did you take any sort of a charitable deduction 20 for buying those items?</p> <p>21 A. No.</p> <p>22 Q. Do you know the charity that was supported --</p> <p>23 MS. CHINN: Objection.</p> <p>24 MS. McDONOUGH:</p> <p>25 Q. -- by the golf tournament?</p>

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1	MS. CHINN: You know what, move to strike her last	1	else. Maybe Rich Cursulos (phonetic) from Huntleigh I
2	question and answer because that has to do with your	2	think. But I -- but I don't -- I think -- I think
3	taxes. It's not discoverable.	3	that's it but I don't remember who our foursome was at
4	MS. McDONOUGH:	4	that particular time.
5	Q. Do you know what charity was benefiting from	5	Q. Rich is from what company?
6	the golf tournament in --	6	A. From Huntleigh.
7	A. The national charity for Southwest Airlines,	7	Q. What is that?
8	the Ronald McDonald House.	8	A. Huntleigh is a service provider of the
9	Q. Was anyone else from the Authority at the 2004	9	airlines.
10	golf tournament?	10	Q. Oh, Huntleigh?
11	A. I believe Jeff Simons might have been there.	11	A. Huntleigh, H-U-N-T-L-E-I-G-H.
12	Q. Did Jeff go with you as well?	12	Q. And who paid for the room in 2005?
13	A. Yeah, I believe so.	13	A. Those were all -- those were all covered -- I
14	Q. Did you, Jeff and Amiel all stay in the same	14	believe I paid for the room but the foursome was covered
15	room?	15	under Mike Parrish's -- you know, as his station
16	A. Yes, the four of us with Mike.	16	manager. I believe that's how it worked.
17	Q. Do you know if anyone else from the Authority	17	Q. So Mike Parrish provided the entrance tickets
18	was at the 2004 golf tournament?	18	for --
19	A. Yes.	19	A. Same --
20	Q. Who else?	20	Q. -- the tournament?
21	A. Mark Dinari (phonetic) was at the golf	21	A. -- as he did before.
22	tournament.	22	Q. And you paid for the hotel room?
23	Q. Did he ride down with you?	23	A. Yeah, and everything else.
24	A. He didn't go with me, no.	24	Q. What do you mean by everything else?
25	Q. Do you know who invited Mark Dinari, if anyone?	25	A. Well, you know, you go down for dinner and then
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1	A. Yes. I'm trying to remember. He had gone down	1	I had my friends who came along so, you know, dinner and
2	with SPC, Service Performance -- Dick Jenkins.	2	drinks and -- and everything else that -- that goes
3	Q. Did you see anyone else from the Authority at	3	along with going down there for the trip.
4	the golf tournament --	4	Q. How many nights were you down there in 2005?
5	A. I believe there was but I don't -- I don't	5	A. Only one night. And, once again, on this
6	remember exactly who -- who was down there.	6	particular case I had asked Ted Sexton if -- if it would
7	Q. You went again in 2005?	7	be possible to go down to that golf tournament and he
8	A. Then we went again in 2005, yes.	8	said yes.
9	Q. You, Amiel and Jeff again?	9	Q. Did Ted to your knowledge know who was giving
10	A. No. I believe at that particular time it was	10	you the tickets for the golf tournament?
11	just I want to say Amiel and myself went down from the	11	A. My conversation with Ted was -- I had asked
12	Airport Authority. Jeff was out of town. He couldn't	12	him -- I had asked him if it would be possible to, once
13	go.	13	again, go to the Southwest Airlines tournament.
14	Q. Who paid for your room in 2005?	14	Mike Parrish wasn't going to be allowed to go down -- or
15	A. By that time Mike -- Mike, once again, as -- as	15	was in Vegas, he couldn't use it. And I thought it
16	station manager had -- had his room -- had his room but	16	would be a great opportunity, since I didn't know
17	since he had moved back to Vegas couldn't use the	17	Cheryl Black that well, to go down to the golf
18	foursome. So he had called me to -- to fill the	18	tournament. And he said go ahead and go down.
19	foursome for him so someone could use that foursome.	19	Q. So did you tell Ted Sexton that you didn't have
20	Q. So who did you fill the foursome with?	20	to pay for the entrance fee for the golf tournament?
21	A. We had -- at that particular one we had played	21	A. I told him I was invited as a -- as a guest at
22	with -- I'm trying to remember who played with us. I	22	Southwest Airlines.
23	know that one was Dave -- Dave Stearns from the Padres	23	Q. Did you tell him that both years?
24	that played, a friend of mine, Mark McDonald, myself and	24	A. Yes.
25	I think maybe -- I don't remember. There was someone	25	Q. Did you pay for the hotel room in 2005 on a

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1 credit card?		
2 A. I believe I paid cash.		1 anticipating on -- on submitting for lost time or
3 Q. Do you remember how much it was?		2 vacation time.
4 A. I think it's -- for being part of the event I		3 Q. Do you know if Jeff is a salaried employee?
5 believe it's \$80.		4 A. No, Jeff is an hourly employee.
6 Q. What -- is it a Friday night?		5 Q. And did he get paid for those Saturdays or
7 A. No, it's like a Tuesday.		6 Sundays that he was there?
8 Q. So you go down on Tuesday morning, you golf and		7 A. You know, Jeff is very particular where he
9 then stay over --		8 would come in -- he would come in and respond to service
10 A. Tuesday afternoon we stay and then we stay the		9 calls and not -- and not want to submit for -- for pay
11 next day. And then the golf tournament, we have an		10 for those. So when there was opportunities like this it
12 afternoon tee time, we stay for dinner, we come back		11 would be okay. But it's pretty safe to say that -- that
13 that night.		12 Jeff Simons does not always get paid for the hours that
14 Q. Okay. So you go down Tuesday afternoon and you		13 he -- that he works. That was -- that was a struggle
15 stay in the hotel on Tuesday night. You golf sometime		14 that we had with him, which is a good struggle. But
16 on Wednesday and then go home?		15 either way I always felt that he should get compensated
17 A. And then we go home, yes, ma'am.		16 for every hour that he works.
18 Q. When you took Mike Parrish to lobster in		17 Q. Are you aware of times where Jeff did not
19 Puerto Nuevo was that on a Tuesday night or a Wednesday		18 submit for time -- for hours that he was working?
20 night?		19 A. What I tried to do to the best of my ability is
21 A. No, always the day before.		20 capture those hours and adjust his timecard so -- to
22 Q. On the way down?		21 properly capture those hours that he had come in on
23 A. Yeah. On the way down we go through -- we		22 service calls.
24 leave around noon, 1:00 o'clock so we all work -- we all		23 Q. So do you believe that he was paid for every
25 work half day trying to make sure that we cover the two		24 hour that he worked?
Page 170		25 A. For the most part, yeah.
1 busiest times at the airport, which first 6:30, 8:30 is		Page 172
2 the busiest time.		
3 And then after that we work half day. After that		1 Q. So even in those weeks where you went on the
4 we drive down, we play half a round like nine holes. We		2 golf tournaments you tried to make up for the hours that
5 all get in the car, we go down for dinner and then come		3 he worked by adjusting his timecard?
6 back and -- and then go back up to the bar and have		4 A. Yeah. And we -- and as long as -- our -- our
7 drinks to socialize.		5 kind of general rule was as long as it was within the
8 Q. Did you tell Jeff Simons in 2004 that he did		6 same reporting period you -- you were able to do that.
9 not need to take a vacation day for the day that he was		7 Q. Whose rule was that?
10 going down to the tournament with you?		8 A. Well, he would -- you know, this is our rule
11 A. Yeah. I believe my conversation with -- with		9 when -- when we would talk to Ted, if it would be okay
12 Jeff Simons was that he had -- that he had worked other		10 to do that. And that's kind of how it was established.
13 days that he did not submit time for and that I felt it		11 Q. When you say it was our rule who was the our
14 would be appropriate, because he had to come in a couple		12 in --
15 of times on -- on the weekends and nights in that		13 A. Landside operations on my section, that I had a
16 particular same -- the same reporting week. And that I		14 little latitude to do that because there would be times
17 felt it was appropriate that since he had worked these		15 where -- there would be -- it would be hard for us to
18 days, if he wanted to just comp the time out on -- you		16 have established hours like you will work Monday through
19 know, for that tournament it would be okay.		17 Friday, you know, 8:00 to 5:00 because that just wasn't
20 Q. So as far as you know Jeff did not put in		18 the way it worked.
21 vacation days for the Tuesday and Wednesday that you		19 There would be times that -- that I would get
22 were gone?		20 called in on emergency and have to come in Saturday
23 A. I believe if he would have asked me I would		21 night or Saturday day or both Saturday and Sunday. And
24 have said it was okay because Jeff works -- you know,		22 then I would flex the time out and take a day off during
25 Jeff had come in on his off time, that he wasn't		23 the week. But for the most part, you know, whenever we
		24 did that we tried to kind of even it out. So if -- if I
		25 didn't work one day during the week I know that I had

<p style="text-align: right;">Page 173</p> <p>1 made up for it over the weekends when I had to come in 2 to work.</p> <p>3 Q. But you were salary, correct?</p> <p>4 A. Yes.</p> <p>5 Q. For the hourly employees did you pay them for 6 the hours that they worked?</p> <p>7 A. Yes, same as -- but we allowed them to flex -- 8 we allowed them to flex their schedule as long as we can 9 justify the hours at work to within the work schedule 10 that they put. So even if he was Monday through Friday, 11 8:00 to 5:00 guy, if he came in and worked on the 12 weekends I would allow him to do that as long as we 13 knew -- we knew how to do it.</p> <p>14 Q. And you keep referring to we. Who are you 15 referring to?</p> <p>16 A. Jeff and I or it was understood with the 17 employee that they had worked appropriate times and we 18 can probably justify that, okay, you're going to mark 19 this as a non-work day but I know that you worked over 20 the weekend on these days. So I can justify that you, 21 in fact, did work that 40 hour work week.</p> <p>22 Q. Do you know if Jeff Simons got paid for Tuesday 23 and Wednesday of the week when you went to the golf 24 tournament?</p> <p>25 A. I'm not sure. I don't remember what his --</p>	<p style="text-align: right;">Page 175</p> <p>1 that he didn't actually work?</p> <p>2 A. We had -- I don't remember -- I never had that 3 issue with Jeff Simons. I know that the issue that we 4 had with Jeff Simons was to ensure that he got paid 5 for -- for times that we had service calls. So at the 6 end every morning when I would look at -- at the log 7 for -- for airport operations and I would notice that 8 Jeff got called in at 2:00 o'clock in the morning on 9 Saturday night and if I looked at his timecard and he 10 didn't mark it I would -- I would talk to Jeff and tell 11 him, hey, we have to adjust your card so you can have -- 12 have those hours.</p> <p>13 Q. So you would go back and put on the timecard 14 for the Saturday night when he had the service call?</p> <p>15 A. Yes.</p> <p>16 Q. And you would put those hours in there --</p> <p>17 A. I would try to do it to the best of my ability.</p> <p>18 Q. -- on the day that he came in for the service 19 call?</p> <p>20 A. Uh-huh.</p> <p>21 Q. Yes?</p> <p>22 A. Or allow him to flex the time, yes.</p> <p>23 Q. And was Ted Sexton aware that you were doing 24 this?</p> <p>25 A. Yeah, we had talked about it. We had talked</p>
<p style="text-align: right;">Page 174</p> <p>1 what his timecard says.</p> <p>2 Q. Do you have any recollection of signing off on 3 his timecard when --</p> <p>4 A. I would have to sign off his timecard. What I 5 do recollect is that there was -- that I felt it 6 justified that he had worked enough hours within that 7 time period to justify him being paid for those hours, 8 yeah.</p> <p>9 Q. So you paid him for the Tuesday and Wednesday 10 as well as the Saturday that he worked?</p> <p>11 A. No. He just replaced the kind of comp time he 12 would work. He had come in on some service calls over 13 the weekend. And then I felt that it was appropriate 14 enough that he worked those hours that if he didn't work 15 here he can just substitute those hours for those hours.</p> <p>16 Q. So you're saying that on his timecard instead 17 of marking down that he came in on Saturday, like he 18 did, he would instead put those hours onto Tuesday?</p> <p>19 A. I don't know what his timecard says but, once 20 again, I believe in that -- in that case I felt that it 21 was justified that he had worked appropriate hours to 22 justify what he was paid. I don't have the timecard in 23 front of me so I'm not sure how he marked it.</p> <p>24 Q. Did you ever -- do you ever recall Jeff Simons 25 in any week putting his hours on his timecard on a day</p>	<p style="text-align: right;">Page 176</p> <p>1 the ability to flex as long as -- to flex our schedules 2 as long as it was within the same -- the same time 3 period.</p> <p>4 Q. Do you know if Amiel Porta took vacation days 5 to go down to the Southwest --</p> <p>6 A. I know Amiel Porta would have a similar 7 situation to this so --</p> <p>8 Q. And Amiel Porta was also on call?</p> <p>9 A. Yeah, oh, all the time. Any issues pertaining 10 to -- to security alerts, issues with our -- with our 11 baggage conveyor belts, absolutely. We're all on call.</p> <p>12 Q. Is there a log that shows when Amiel would come 13 in to the airport like say on a weekend?</p> <p>14 A. No, because in those particular times we had 15 projects that were going on where -- where certain work 16 would only occur over the off times when the airport was 17 closed. So we knew that -- that he would be coming in 18 off times or work a day and then we would try to work 19 those under comp time situations for it or submit those 20 hours on his -- on his timecard.</p> <p>21 Q. Are you aware of Amiel not putting hours that 22 he worked on his timecard?</p> <p>23 A. I am aware that we had to work with Amiel to be 24 sure that he would mark all the appropriate hours as 25 possible.</p>

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<p style="text-align: center;">Page 177</p> <p>1 Q. Are you aware of any time that Amiel worked 2 that he did not put on his timecards?</p> <p>3 A. I believe that we worked with Amiel to try and 4 ensure that he got paid for all the hours that he 5 worked.</p> <p>6 Q. So you're not aware of any weeks where Amiel 7 worked hours and he didn't put it on his timecard?</p> <p>8 A. I'm not aware -- one of the things we wanted to 9 with Amiel is -- Amiel is a real team player and thought 10 that he would be benefiting the Airport Authority if he 11 didn't put in for the hours that he worked. And that 12 was -- that was one of the things that we worked with 13 Amiel, to ensure that he tried to put all the 14 appropriate hours for his timecard.</p> <p>15 Q. And you approved the timecards for Amiel and 16 for Jeff?</p> <p>17 A. I did.</p> <p>18 Q. And did you have ultimate authority to decide 19 whether you could do this flex time that you have been 20 talking about?</p> <p>21 A. No, because after my cards get signed they go 22 to Ted for his signature.</p> <p>23 Q. And so Ted had authority on the flex time?</p> <p>24 A. Yes.</p> <p>25 Q. Would you go to Ted and say I did flex time for</p>	<p style="text-align: center;">Page 179</p> <p>1 A. Yeah.</p> <p>2 Q. Is there any specific occasion that you can 3 recall where you told Ted that on a specific timecard 4 you were giving the employee flex time?</p> <p>5 A. No, I don't -- I don't remember if I did or 6 not. I know that he was aware that -- that we would do 7 that from time to time.</p> <p>8 Q. But he didn't know by looking at a timesheet 9 whether that was flex time or not?</p> <p>10 A. I believe -- I didn't -- there was not a 11 requirement for me to do that to go in and say, look, 12 flex time, flex time, flex time. That wasn't it. As 13 long as ours was more project driven, as long as we 14 covered the times that we needed to cover it was 15 sufficient.</p> <p>16 Q. So Ted could not tell by looking at the 17 timecard itself whether it was a flex time or a regular 18 week?</p> <p>19 A. No.</p> <p>20 Q. And you didn't have a specific conversation 21 with him regarding a specific employee week by week to 22 say whether the timecard was flex time or regular time?</p> <p>23 A. No. I didn't have the requirement to do that.</p> <p>24 Q. Is there anyone else that you provided this 25 flex time to other than Jeff and Amiel?</p>
<p style="text-align: center;">Page 178</p> <p>1 this week, these are not actually the hours that they 2 worked but I did some flex time?</p> <p>3 A. I believe -- I believe Ted was in tuned enough 4 to the situation because of the dynamics of how we work, 5 you know, and hours that we have to work and -- and that 6 when situations were brought up he did not have 7 objection to doing it as long as it was within -- within 8 that same pay period. We didn't -- he didn't want to 9 have a situation where we accumulated flex time in the 10 long run.</p> <p>11 Q. So do you recall having a specific conversation 12 with Ted on any occasion where you said I decided to do 13 flex time with Amiel or Jeff this week, here's their 14 timecard?</p> <p>15 A. Yeah, I believe we had that as a forum with -- 16 with Ted's meeting where we all talked about as a group, 17 not just my -- me and my group but also with -- with 18 Wayne Harvey in -- in airport maintenance that allowed 19 us -- that's why we came up -- or the thought had came 20 up, one, you got to justify the time and, two, it has to 21 be within the same payroll period because he didn't want 22 accumulated or bank hours in a -- you know, at a future 23 time.</p> <p>24 Q. I'm asking more on a specific occasion rather 25 than a general meeting regarding policy.</p>	<p style="text-align: center;">Page 180</p> <p>1 A. We did. We -- we provided some flex time 2 with -- with Carol Mahaffey, as a matter of fact, with 3 Jennifer Hamilton, with Jay Bass, who also worked in the 4 terminal operations, with -- with my staff and the 5 permitting office.</p> <p>6 There would be times where -- where times are 7 permitting where I would allow them to come in and work 8 on the weekends and take some time off during the week, 9 once again, specific to permitting because it was easier 10 to work on -- on -- on ground transportation permits 11 when there was no one in the office. So that was one -- 12 that was one of the situations where I would work with 13 our staff to improve productivity.</p> <p>14 Q. Is there anyone else that you can remember 15 doing this flex time for?</p> <p>16 A. No. It would be more specific to my office 17 staff or to the office staff. The airport traffic 18 officers not as much but to the individuals who worked 19 at -- in the terminal operation side and the individuals 20 who worked in -- in the permitting side, which were both 21 areas of my responsibility. I would allow them to do 22 that.</p> <p>23 Q. Is there anyone specific in the permitting side 24 that you haven't mentioned already?</p> <p>25 A. No. Well, there's -- I have -- well, I have</p>

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1 three employees so all three of them, would be Jennifer 2 and I remember -- I forget my other employee's name but 3 I know it's Carol -- Carol, Jennifer and -- and my other 4 employee and I forget her name, I apologize. And then 5 on the terminal side -- on the terminal side it would be 6 Jay, Amiel and Ron Larson who was there at the time. 7 Q. Is it Kim? 8 A. Kimberly, uh-huh, Kimberly Zehner, Z-E-H-N-E-R. 9 Q. I believe when you spoke to the investigators 10 at the end of 2005 you advised them that you also 11 participated in the Southwest golf tournament in 2003. 12 Do you recall that? 13 A. No, I don't -- I don't recall. I told -- I -- 14 I had informed him that I believe I had gone down to the 15 golf tournament twice. He had run off a bunch of years 16 and I don't -- I don't remember. But I can recall those 17 two times that I went down. 18 Q. Do you have any documentation that would 19 refresh your recollection as to the years that you went 20 down to the Southwest tournament? 21 A. No, no shirts, no -- no nothing. 22 Q. Any receipts? 23 A. No. 24 Q. Did you ever golf with Dave Mullear? 25 A. Yes.	1 A. No. 2 Q. When did you golf at Del Mar National with 3 Dave Mullear? 4 A. Sometime in the middle of 2005. 5 Q. Do you remember where you golfed with Dave when 6 he paid? 7 A. No. 8 Q. Do you know if Ace Parking ever paid for the 9 golfing that you did with Dave? 10 A. I don't remember. I don't know. 11 Q. Did Ace Parking ever pay for any of your 12 golfing trips with anyone? 13 A. I don't know. 14 Q. Did you ever golf with John Steele? 15 A. Yes. 16 Q. Is he from Ace Parking? 17 A. He is from Ace but when we -- when we played we 18 played Rancho Bernardo and I don't believe we paid to 19 play. He -- he was a friend of the starters and we got 20 on for free was my understanding. 21 Q. Do you know what John Steele's position was at 22 Ace when you played golf with him? 23 A. I believe -- with Ace I believe he was the 24 manager of the shuttle park -- parking operation. 25 Q. For Ace?
Page 182	Page 184
1 Q. On how many occasions? 2 A. A couple of times, maybe two, three times we 3 had golfed. 4 Q. Did Dave ever pay for you -- 5 A. We had golfed once. Dave did not pay but it 6 was paid by -- by another mutual friend of ours when we 7 played Del Mar National. I believe he had paid and we 8 had -- and I had reciprocated a couple of times when we 9 played, you know, at other golf courses. 10 Q. Who is the mutual friend that paid for your 11 Del Mar National golf -- 12 A. We had -- we had a friend of ours, Gary Cootes, 13 who -- who was involved in the parking industry but not 14 in San Diego who was down and visiting. They had an 15 open foursome and I just filled in the -- for the last 16 spot, kind of the last moment. 17 Q. Where did Gary Cootes work at the time that you 18 golfed at Del Mar National? 19 A. He is -- he works -- he works for a company 20 called Park and Fly, which is out of Atlanta. 21 Q. Does Park and Fly have any operations in 22 San Diego? 23 A. No. 24 Q. Do you know if Park and Fly, while you were an 25 Authority employee, tried to do business in San Diego?	1 A. Yes. John and I had worked together back at 2 Ace and I had known him and he had been a friend of mine 3 for many years. 4 Q. And that's just shuttle parking for Ace and not 5 for the airport; is that correct? 6 A. For Ace, yes. 7 Q. Who else did you golf with at RBN? 8 A. I don't remember. I remember -- I remember 9 when you brought that up that it was -- it was him. And 10 I'm not sure who else -- who else had played with us. 11 Q. And did you golf with John Steele on any other 12 occasions? 13 A. I believe I may have only golfed with him maybe 14 once or twice, if that. 15 Q. I might have asked this but when -- when did 16 you golf with John Steele? 17 A. I think it was sometime in 2005, 2004. 18 Q. Did you golf at Torrey Pines with someone from 19 Baggage Claimers? 20 A. Yes. 21 Q. When was that? 22 A. Let's see Mark -- maybe sometime in 2005. 23 Q. Who did you golf with from Baggage Claimers? 24 A. It was just the owner, Mark, Mark Garner, 25 G-A-R-N-E-R.

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<p style="text-align: right;">Page 185</p> <p>1 Q. Who paid for the golf?</p> <p>2 A. I believe Mark had paid for it.</p> <p>3 Q. Was Baggage Claimers doing business with the</p> <p>4 Authority at the time you golfed --</p> <p>5 A. No.</p> <p>6 Q. -- with him?</p> <p>7 A. Baggage Claimers does business with the</p> <p>8 airlines, not with me -- not with the Airport Authority.</p> <p>9 They were a service provided by the airlines, not my --</p> <p>10 not the Airport Authority.</p> <p>11 Q. They were service providers of the airlines at</p> <p>12 the time that you golfed with Mark?</p> <p>13 A. I believe so, uh-huh. The Airport Authority</p> <p>14 doesn't have a direct service relationship with them.</p> <p>15 Q. Did anyone else go golfing with you and Mark?</p> <p>16 A. Yeah, I believe Jeff Simons was also invited on</p> <p>17 that trip, or on that -- that golf tournament.</p> <p>18 Q. Did you go golfing with any representatives</p> <p>19 from airlines at any time other than the Southwest golf</p> <p>20 tournament?</p> <p>21 A. We had gone a couple of times with -- where --</p> <p>22 where we had invited members of -- with Delta to go</p> <p>23 golfing.</p> <p>24 Q. Who is we?</p> <p>25 A. Where I had invited Mark Cunningham and</p>	<p style="text-align: right;">Page 187</p> <p>1 from those that you earned being a frequent flyer?</p> <p>2 A. Yeah, for distribution to -- to airport</p> <p>3 customers or distressed customers, yes.</p> <p>4 Q. Who gave you those drink tickets?</p> <p>5 A. I used to get a couple from -- or a few from</p> <p>6 Southwest Airlines because they knew I was around -- out</p> <p>7 and about a lot, and Delta Airlines as well. Just any</p> <p>8 time that -- that they thought it would be appropriate</p> <p>9 to give them out on their behalf would be -- you know,</p> <p>10 they -- they trusted me enough that they would give me a</p> <p>11 few and just say, hey, just give them out as a little</p> <p>12 thank you on behalf of Delta or the Airport Authority,</p> <p>13 however you want to do it.</p> <p>14 Q. Did they tell you who to give the drink coupons</p> <p>15 to?</p> <p>16 A. No.</p> <p>17 Q. Did they say you could use them for your own</p> <p>18 use?</p> <p>19 A. They said you can -- they said I can either use</p> <p>20 them, give them away, however -- you know, use them</p> <p>21 however you think is appropriate.</p> <p>22 Q. Did -- did you ever report back to the airlines</p> <p>23 and tell them how you used the drink coupons?</p> <p>24 A. There was no -- there was no need to. In fact,</p> <p>25 most of those tickets just went to waste.</p>
<p style="text-align: right;">Page 186</p> <p>1 Jeff Rasor and one of his employees to come golf with us</p> <p>2 on a foursome.</p> <p>3 Q. Who was the fourth in the foursome?</p> <p>4 A. I'm not sure, just another one of his</p> <p>5 supervisors.</p> <p>6 Q. Who paid for that golf?</p> <p>7 A. I did.</p> <p>8 Q. Out of your personal funds?</p> <p>9 A. Out of my personal funds.</p> <p>10 Q. Do you know when that was?</p> <p>11 A. No, I don't.</p> <p>12 MS. McDONOUGH: Let's take another short break.</p> <p>13 THE VIDEOGRAPHER: Off the record at 3:41.</p> <p>14 (A recess is taken.)</p> <p>15 THE VIDEOGRAPHER: This is the beginning of</p> <p>16 Videotape Number 3. Back on the record at 3:53.</p> <p>17 MS. McDONOUGH:</p> <p>18 Q. Is there any reason why you cannot continue to</p> <p>19 give your best testimony?</p> <p>20 A. No.</p> <p>21 Q. Did you ever receive drink coupons from any</p> <p>22 airlines while you were working at the Authority?</p> <p>23 A. Did I receive drink coupons, yes, as part of my</p> <p>24 frequent flyer with Southwest Airlines I have.</p> <p>25 Q. Did you ever receive any drink coupons aside</p>	<p style="text-align: right;">Page 188</p> <p>1 Q. Did you ever use any of the drink coupons that</p> <p>2 you received from the airlines other than those that you</p> <p>3 received through your frequent flyer --</p> <p>4 A. No.</p> <p>5 Q. You never used them personally?</p> <p>6 A. No.</p> <p>7 Q. Who gave you the drink coupons from</p> <p>8 Southwest Airlines?</p> <p>9 A. We had Mike Parrish. Mike Parrish knew that --</p> <p>10 that I would -- I was out and about a lot of times and I</p> <p>11 would be working with -- you know, just to try to solve</p> <p>12 situations. And he would give me a few, I mean two,</p> <p>13 three, you know, every few months and say, hey, if you</p> <p>14 can, you know, just put them to good use for someone.</p> <p>15 Q. When did he first start giving you drink</p> <p>16 coupons?</p> <p>17 A. I don't -- I don't recall. It would just be</p> <p>18 from time to time. It wasn't a specific schedule, hey,</p> <p>19 I'll give you a couple at this time.</p> <p>20 Q. Did you give any of those drink coupons away?</p> <p>21 A. Yeah.</p> <p>22 Q. Who did you give them to?</p> <p>23 A. There was a time -- there was a time when he</p> <p>24 knew that -- that Airport Authority employees were</p> <p>25 flying out and say, hey, do me a favor, here's a couple</p>

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<p style="text-align: right;">Page 189</p> <p>1 drink coupons for them if you want.    2 Q. Who did you give them to?    3 A. I remember at one particular time I want to say    4 either Colm or Matt. One of those guys were getting    5 married and they were going to a bachelor party in -- in    6 Vegas. So he just asked me to give them to them. I    7 don't know if they ever used them or not.    8 Q. And did you give the drink coupons to Colm or    9 Matt?    10 A. Yeah. We just gave it to them and just said,    11 hey, Mike wanted you to have these. If you want to use    12 them, fine. If not, give them away, whatever you want    13 to do with them.    14 Q. Do you know why Mike gave the coupons to you    15 and not to those people directly?    16 A. No.    17 Q. Did you ever give the Southwest drink coupons    18 to anyone other than Colm or Matt?    19 A. There would be -- you know, there would be    20 Airport Authority employees who were flying out and if    21 they were available I just say, hey, if you can use    22 them.    23 You know, I know on one particular case, you know,    24 Carol Mahaffey was flying out on Delta. Her and her mom    25 were going on -- on a cruise and it just so happened</p>	<p style="text-align: right;">Page 191</p> <p>1 never -- never used them.    2 Q. Did you ever give them away?    3 A. I believe -- I believe when I was cleaning up    4 my office they were still there in the office but they    5 had expired.    6 Q. What did you do with them?    7 A. They just got thrown away.    8 Q. Did you ever receive any Buddy Passes from    9 Southwest Airlines?    10 A. Yeah.    11 Q. How many?    12 A. I believe I received a couple. And those were,    13 as we talked about before, was I was going out to Vegas    14 for a meeting and Mike wanted the kids to go out since I    15 was going to be out there, my son and my daughter to go    16 out and spend a couple of days with his family. So what    17 he did was he gave us the Buddy Passes so that he can --    18 so that I can be in Vegas and then my kids would be out    19 there as well. But I would -- I stayed in the hotel and    20 they stayed with him.    21 Q. Did your wife receive a Buddy Pass as well?    22 A. I -- I believe, and I don't remember, I believe    23 she had paid for her own ticket so she was coming down    24 anyways. But he just wanted the kids to come along and    25 he would take care of the kids. So we would kind of</p>
<p style="text-align: right;">Page 190</p> <p>1 that I had some from Delta and said, hey, you know, here    2 are some drink coupons, if you want them, have them. If    3 you don't you don't need to have them, here they are.    4 Q. Who did you receive those from from Delta?    5 A. Delta.    6 Q. Who at Delta?    7 A. From -- I believe it was Jeff Raso. They're    8 just courtesy coupons that they give away all the time.    9 Q. Do you remember who you -- or what time of year    10 that was?    11 A. No, I don't. I don't remember the year. I    12 just remember from time to time I would receive a couple    13 as courtesy.    14 Q. Do you remember giving Southwest coupons to    15 anyone else at the Authority?    16 A. I don't remember specifically. I remember    17 the -- I remember the Colm one because he had -- either    18 Colm or Matt, it was one of their bachelor parties or    19 something like that that they were going for so I    20 remember giving it specific to them. Other ones were    21 just, hey, you're flying out, you want coupons, they're    22 right there.    23 Q. Did you receive any drink coupons from    24 Hawaiian Airlines?    25 A. Yes. I had them as a courtesy as well and</p>	<p style="text-align: right;">Page 192</p> <p>1 have -- I would be there at the function and then have    2 some time with my wife at night. And then they would    3 take care of the kids at their house.    4 Q. And a Buddy Pass is a -- essentially a one-way    5 or roundtrip ticket depending on how --    6 A. It's all standby.    7 Q. And it's all standby.    8 A. Uh-huh.    9 Q. Some people call it a non-revenue ticket, yes?    10 A. Exactly, non-revenue, no value.    11 Q. So at this particular time when you went to    12 Vegas for your meeting for work, to the best of your    13 recollection Mike Parrish provided two or three    14 roundtrip tickets for your family?    15 A. I believe it was only my kids because he wanted    16 the kids to come out and spend some time with his kids    17 since, you know, they had come out and they had become    18 to be -- to be friends.    19 Q. And the Authority paid for your ticket because    20 it was a work related --    21 A. It was a work related function.    22 Q. Do you remember when that was?    23 A. No, I don't.    24 Q. Do you remember what the function was?    25 A. I -- I want to say it was a National Parking</p>

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1 Association conference in Vegas and I stayed at the 2 Mandalay Bay.	1 again, there was Investigators asking very ambiguously. 2 so I'm not sure what they -- what they wrote down or 3 what they believe is true according to them.
3 Q. Did you ever receive any other airline tickets 4 from Mike Parrish --	4 Q. So on one occasion you and Amiel flew out to 5 Las Vegas with Southwest Airlines?
5 A. Huh-uh.	6 A. That's correct.
6 Q. -- other than those?	7 Q. Did the Authority pay for those tickets?
7 A. I don't believe I did.	8 A. No.
8 Q. Who initiated the idea for Mike to give you 9 passes for your children?	9 Q. Who paid for the tickets?
10 A. Mike did.	10 A. Southwest, as non-rev -- non-revenue passes.
11 Q. Did you offer him any money for those passes?	11 Q. Is -- was that an expense that the Authority 12 would have paid for if you had submitted it?
12 A. I had -- the conversation was more of, hey, 13 we're going out -- I said I'm going to take my wife, 14 we're going -- we talked about going to Vegas, you 15 know, as friends do, just, hey, what are you going to do 16 this weekend or next week, hey, I'm going to Vegas.	13 A. Maybe but it was the last -- It was -- it was 14 really one of those things that had to happen at that 15 particular time, where they were looking -- if you go 16 through the Southwest Airlines rotunda now they have 17 combined all their gates where when you check in at one 18 counter you're actually checking in for gate two and 19 three, really one, four and five, they just buddled them 20 up. And it was something that needed to occur pretty 21 quick and we needed to look at it and see if it made 22 sense for the Airport Authority to do, which obviously 23 it did. So it was just, hey, if we're going to do it we 24 got to go do it now so it was last moment.
17 We're going to go this week and drive the kids up, drop 18 them off with their grandparents in L.A. He said you 19 don't need to do that, just why don't you just have them 20 spend a couple of days with my kids and -- with my kids 21 and at our house. So he initiated the idea.	25 Q. So you went with Amiel and who else was
22 Q. And do you remember if your wife came out to 23 Vegas on that trip?	
24 A. Yes, she did.	
25 Q. You just don't remember how she got out there?	
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1 A. I don't remember. I believe she had -- I 2 believe we had arranged for her and I to fly out. I was 3 already going out. We bought her ticket. And then I 4 believe that -- that was when the kids went out and 5 spent those days with -- with Mike and his wife at their 6 house.	1 Southwest Airlines?
7 Q. If you had bought a ticket for your wife would 8 that have been on a credit card?	2 A. It was -- it was Mike and Jeff who was his 3 manager of ramp operations.
9 A. Probably.	4 Q. You went to the Las Vegas airport?
10 Q. And at the time Mike Parrish was still working 11 for Southwest Airlines?	5 A. Las Vegas, McCarron airport.
12 A. Yes.	6 Q. And they already had this setup?
13 Q. Did you tell the investigators in December of 14 2005 that you may have used a roundtrip ticket from 15 Mike Parrish to fly to Vegas on your own on another 16 occasion?	7 A. They had one particular gate that was already 8 set up in -- in that manner.
17 A. No.	9 Q. Do you remember when that trip was?
18 Q. Do you have any other recollection of using a 19 Southwest ticket from Mike Parrish?	10 A. No, I don't.
20 A. I don't remember. I remember one -- the 21 conversation that we had with -- with Investigators, 22 that one day on an afternoon we flew out with Southwest 23 to go look at some other terminal expansions and then 24 came back that afternoon. So I don't know if that's the 25 same incident what you're referring to. But, once	11 Q. Did Mike Parrish take you out to lunch while 12 you were out there too?
	13 A. Yeah, we went out to lunch.
	14 Q. Who paid for the lunch?
	15 A. I believe I had paid for lunch.
	16 Q. Did you pay for it with a credit card?
	17 A. I don't remember. I know the lunch was only 18 like maybe twenty, thirty dollars, if that.
	19 Q. Where did you go to lunch?
	20 A. It was some rib place that's out there. I 21 don't remember the name, pretty close to the airport.
	22 Q. And then you flew back home?
	23 A. And we flew back home.
	24 Q. How long have you known Mike Parrish?
	25 A. I've known Mike Parrish since the first day

<p style="text-align: center;">Page 197</p> <p>1 that he -- that he came to San Diego as station manager.    2 Q. Do you remember when that was?    3 A. No, I don't.    4 Q. And your family and his family socialize    5 together?    6 A. Yes, we do.    7 Q. How quickly after the first meeting did you    8 form a friendship with him where you would socialize?    9 A. Pretty quick. What happened was Mike Parrish    10 had come out here. He was living all by himself in an    11 apartment just in Point Loma. And just a friend being a    12 friend asked him to dinner a couple of times at my    13 house. He came out, had drinks, dinner, met my kids.    14 Next time he came out -- because his family once a month    15 would come out and visit. Next time he had an    16 opportunity his family came out and -- and we made    17 dinner for them. And the kids just got to know each    18 other. Two out of the three kids because one's already    19 in high school and my kids are only five and nine. So,    20 you know, just through the years we just -- we just    21 became friends.    22 Q. Do you have any recollection of any other    23 roundtrip ticket that you took on Southwest courtesy of    24 Southwest?    25 A. Not that I recall.</p>	<p style="text-align: center;">Page 199</p> <p>1 get on. So it's all -- it's all standby. That's why    2 they carry no value on them.    3 Q. How did it come about that Janet Nix gave you    4 the non-revenue passes?    5 A. Janet Nix and I had been talking about, you    6 know, I hardly ever take vacation. She says you got to    7 take vacation. I said, okay, we're thinking about going    8 down to Mexico. She says, well, if -- if you want to,    9 you know, we will -- I will give you these non-rev    10 passes if you want to go, you know, because, you know,    11 we want you to -- I want you, if you want to, go to --    12 go to Hawaii. So she had brought up and initiated    13 and -- and given me the passes.    14 Q. How many passes did she give you?    15 A. There was four.    16 Q. One for each member of your family?    17 A. Yes.    18 Q. Do you know if Janet Nix has unlimited access    19 to the non-revenue passes?    20 A. She has full discretion to give those out as    21 she wishes. And even in this particular case she had    22 received approval from her direct supervisor to do so.    23 Q. Do you know who her direct supervisor is?    24 A. No. I just remember she had asked permission    25 and she had received permission to give away these --</p>
<p style="text-align: center;">Page 198</p> <p>1 Q. Or any one-way ticket?    2 A. (No audible response.)    3 Q. No?    4 A. Not that I recall, no.    5 Q. Or any other tickets given to your family or    6 friends?    7 A. Not that I recall.    8 Q. Did you travel on Hawaiian Airlines in May,    9 2004, to Maui?    10 A. Yes, I did. No. Yes, to Oahu.    11 Q. To Oahu --    12 A. Uh-huh.    13 Q. -- excuse me. How did you receive the tickets    14 to Oahu in May, 2004?    15 A. Janet -- Janet Nix had -- had given me some    16 non-rev passes to go -- to fly on Hawaiian Airlines.    17 Q. I know what they mean but just for the record    18 what is a non-rev pass?    19 A. A non-revenue pass is standby, space available.    20 They have no value whatsoever in the tickets. They are    21 often given as a courtesy or, you know, when customers    22 have complained. The good thing is you can fly    23 somewhere. The bad thing is you're at the mercy of the    24 loads of how busy the -- the airline is or not. There's    25 times that you can wait a week or two weeks before you</p>	<p style="text-align: center;">Page 200</p> <p>1 the non-revenue passes.    2 Q. And your other family members were able to get    3 on a flight before you; is that correct?    4 A. Yes, that's correct.    5 Q. So they went out on one day and then you took    6 the flight the next day?    7 A. And I took the next day.    8 Q. So you used all four of the roundtrip    9 non-revenue passes --    10 A. That's correct.    11 Q. -- to go to Oahu?    12 A. Oahu.    13 Q. Did you ever provide any compensation to    14 Janet Nix for the passes?    15 A. Did I ever pay for -- for no value passes?    16 Q. Yes.    17 A. No.    18 Q. Did your family stay with Amiel Porta's parents    19 when they arrived in Oahu?    20 A. That's correct.    21 Q. And that was just for the one night?    22 A. That was just for the one night.    23 Q. Did you have any work related business in Oahu    24 when you were there?    25 A. No.</p>

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1	Q. Did you have any -- well, strike that.	1	A. And then drove us back.
2	Did you sit in first class or in coach when you	2	Q. Was that during work hours?
3	traveled to --	3	A. Yeah, it was an afternoon during work.
4	A. No --	4	Q. Why did you ask Jim to help you with that?
5	Q. -- Oahu?	5	A. Jim -- I needed to go get it that particular
6	A. -- coach.	6	day. My wife had said, hey, I've purchased this play
7	Q. Did you receive free alcoholic beverages?	7	7 yard but we need to go get it today. Jim was in my
8	A. No.	8	8 office. I said, hey, Jim, would you mind helping me go
9	Q. Then when you returned from Oahu did you just	9	9 get this.
10	use a pass that you had to get back?	10	Q. Oh, I thought you said you called him.
11	A. Same pass.	11	A. Well, I remember -- I remember it was something
12	Q. Did you all travel on the same plane --	12	12 that we needed to go get right away. And so I asked Jim
13	A. We all traveled --	13	13 and Jim said, yeah, I'll help you.
14	Q. -- on the way back?	14	Q. So when you asked Jim was he in your office?
15	A. -- the same plane.	15	A. I don't remember. I know it was something that
16	Q. Have you ever received free food from the	16	16 had to be done, whether he was in my office or whether I
17	concessions in the airport terminals?	17	17 called him. But it was something that we needed to go
18	A. Absolutely never.	18	18 pick up that day.
19	Q. Did you ever contact Jim Myher and ask him to	19	Q. Why did you choose Jim to help you?
20	go with you off site to pick up a play yard for your	20	A. Because I consider Jim a friend and his
21	kids or a -- I guess a swing set, play set for your	21	21 schedule was flexible, that he can -- that -- that I
22	kids?	22	22 asked him if he was flexible enough to go and help me
23	A. Yeah.	23	23 that day and he did.
24	Q. What was the nature of that --	24	Q. Did you ask him because you knew he had a
25	A. I had asked him -- I had asked him if he --	25	25 truck?
Page 202		Page 204	
1	because I knew he had a truck and I had asked him if he	1	A. Well, that too. But -- but I also asked for
2	could help me go pick up a play yard that my wife had	2	2 his assistance, yeah.
3	purchased. And we went out -- and I needed his	3	Q. Was Jim in a suit that day?
4	assistance to do it. We went out, got it, took it to my	4	A. I don't remember.
5	house and -- and that was it.	5	THE REPORTER: Was Jim what?
6	Q. Was Jim working at LPI at the time?	6	MS. McDONOUGH: Was Jim in a suit that day.
7	A. He was.	7	THE WITNESS: I don't remember.
8	Q. And did you ask him to use the LPI truck?	8	MS. McDONOUGH:
9	A. I asked for his assistance, if he can -- if he	9	Q. Did you ever take LPI management out to -- for
10	can help me pick it up. And then when he came -- when	10	10 lunches, Maurice Gray or Jim Myher?
11	he came and arrived he -- he arrived in the LPI truck.	11	A. Yes.
12	Q. Did you ask him to bring the truck?	12	Q. About how many times did you take them out to
13	A. I didn't ask him to bring the truck. I just	13	13 lunch?
14	asked for his assistance.	14	A. We had gone out to lunch maybe a handful of
15	Q. Did you have a car that could have accommodated	15	15 times on separate occasions.
16	the play yard?	16	Q. Who paid for those lunches?
17	A. I asked for his assistance and he said, hey,	17	17 A. A couple of times Jim would pay, a couple of
18	I'll take my truck -- or I'll take the truck.	18	18 times Maurice. And then I believe on an occasion or two
19	Q. And he went out with you to Clairmont Mesa or	19	19 I paid.
20	Kearny Mesa to get the play yard?	20	Q. Where did you go to lunch?
21	A. Yes.	21	A. Just around, just -- just to primarily
22	Q. And then drove it to your house out at	22	22 Red Sails.
23	Rancho San Diego?	23	Q. Would you say that LPI paid for your lunch more
24	A. Yes.	24	24 than you paid for theirs?
25	Q. And then drove you back to the airport?	25	A. Probably, yeah, uh-huh.

<p style="text-align: right;">Page 205</p> <p>1 Q. Did you tell the investigator in December, 2 2005, that you kept a list of the lunches that you took 3 with LPI?</p> <p>4 A. I had -- I had a list of -- of just put down 5 some appointments of when I would go because I wanted to 6 make sure that I knew what days they were. I don't have 7 an idea where those list are because I never recovered 8 that.</p> <p>9 Q. Where were you keeping the list at the time?</p> <p>10 A. I had it in my office. I want to say they were 11 probably in my computer but I -- since that day I don't 12 have access to my computer.</p> <p>13 Q. Why were you keeping a list?</p> <p>14 A. I just wanted to make sure that I remembered 15 when it was -- when it was that I would go to lunch with 16 them.</p> <p>17 Q. Did you make a list about lunches with any 18 other --</p> <p>19 A. Just any list. It was my -- it was my 20 understanding that -- that -- you know, that -- that I 21 had to report the lunches up to -- if it was cumulative 22 over \$50 and half of whatever the -- the -- you know, 23 the -- the public statute is.</p> <p>24 MS. CHINN: Fair Employment Practices Act?</p> <p>25 THE WITNESS: No, the disclosure.</p>	<p style="text-align: right;">Page 207</p> <p>1 Q. When did you start making a list of the 2 lunches?</p> <p>3 A. Just that last year. I just wanted to make 4 sure that I had proper documentation.</p> <p>5 Q. Did anyone tell you to start making a list?</p> <p>6 A. Just one of -- just one those things that 7 occurred to me, hey, I should probably make a list.</p> <p>8 Q. So no one told you to make a list?</p> <p>9 A. I just -- no, I just -- something I wanted to 10 do.</p> <p>11 Q. Is there anyone else on the list that you had 12 lunches with or other appointments with that you kept on 13 a list?</p> <p>14 A. I don't -- I don't remember. If -- I tried to 15 the best of my ability to document those in that -- in 16 that FCC submit.</p> <p>17 Q. Okay. Are there any other companies that do 18 business with the Authority or vendors that you had 19 lunch with other than LPI?</p> <p>20 A. I don't remember at this time.</p> <p>21 Q. Do you know Kelly Pond?</p> <p>22 A. Yes, I do.</p> <p>23 Q. Who is she?</p> <p>24 A. Kelly Pond is a vendor of -- of -- she -- she 25 provides uniforms for LPI and -- and on some occasions</p>
<p style="text-align: right;">Page 206</p> <p>1 MS. CHINN: It's under the Fair Practices 2 Commission.</p> <p>3 THE WITNESS: Yeah, that one, so -- the FCC 4 disclosure. So I kept them so that if I got over fifty 5 I would report them and then try to remember -- try to 6 give a fair and estimate value of what they were so I 7 could report them on that -- on the documentation.</p> <p>8 MS. McDONOUGH:</p> <p>9 Q. And did you exceed \$50 with LPI?</p> <p>10 A. I believe I was just above that, yeah.</p> <p>11 Q. And did you report it?</p> <p>12 A. I had -- I never had -- I did eventually report 13 it but -- but in that particular year I -- I wasn't 14 required to submit that documentation until after.</p> <p>15 Q. And what year did you exceed that \$50 with LPI?</p> <p>16 A. It was 2005.</p> <p>17 Q. And you were required to submit the form in 18 what year?</p> <p>19 A. 2006 after the fiscal year. So we submitted 20 it -- we submitted it -- I was required to submit that 21 documentation upon termination of my employment, 22 which -- and then the year before that.</p> <p>23 Q. Did you have any lunches with LPI in 2004?</p> <p>24 A. I don't remember. I'm sure I did but I don't 25 remember.</p>	<p style="text-align: right;">Page 208</p> <p>1 Airport Authority.</p> <p>2 Q. When did you first meet Kelly Pond?</p> <p>3 A. Kelly Pond was introduced to me when we were 4 looking to change out and upgrade the uniforms for the 5 customer service representatives, which are the taxi and 6 shuttle dispatchers.</p> <p>7 Q. Who introduced you to Kelly?</p> <p>8 A. Jim Myhers and -- Jim Myhers.</p> <p>9 Q. Do you know how Jim knew Kelly?</p> <p>10 A. Yeah. She -- she had come through and sold her 11 services to -- to LPI. And when -- when we 12 approached -- when I approached Jim about redoing the 13 uniforms -- because they were in a drab black and red -- 14 he brought her up and she presented samples to us.</p> <p>15 Q. Did you ever order clothing or other items from 16 Kelly Pond for your personal use?</p> <p>17 A. Yeah. We had ordered -- my wife had requested 18 and received some shirts, these yellow shirts with -- 19 with an embroidery on it, probably no more than five 20 bucks. And she had traded out those uniforms for -- for 21 some cosmetics that Kelly wanted?</p> <p>22 Q. So the payment for the uniforms was --</p> <p>23 A. Yeah, as a trade-off.</p> <p>24 Q. -- in cosmetics?</p> <p>25 A. Uh-huh. She had --</p>

Page 209	Page 211
1 Q. Was it more than one shirt that --	1 they fit or they were the right size for certain
2 A. It was for uniforms --	2 employees like Jennifer, Carol, Kimberly, Marie Cole on
3 Q. -- your wife --	3 the other side, or any of the guys, she would just
4 A. -- for soccer.	4 personalize them, come in and drop them off with them
5 Q. Okay. So your wife ordered a yellow	5 since she didn't -- she didn't have any other use. She
6 embroidered shirt?	6 didn't want to have them in her -- in her house.
7 A. Yeah. It was uniforms. It was like eight --	7 Q. Can you recall any specific employees that she
8 eight T-shirts with an embroidery on it. And then for	8 gave samples to?
9 payment Kelly -- Kelly just traded some -- some makeup.	9 A. Yeah, the ones I just went over.
10 Q. What kind of makeup?	10 Q. Jennifer, Carol --
11 A. Mary Kay makeup.	11 A. Yeah, Jennifer, Carol, Kimberly. They would
12 Q. Does your wife sell Mary Kay makeup?	12 all go through and -- she would just -- you know, it
13 A. Yeah.	13 was -- it wasn't meant to -- to do anything else but to
14 Q. Did you receive any other items from Kelly Pond	14 clear out her house. She had uniform samples, she just
15 that were personal as opposed to work related?	15 wanted to get rid of them.
16 A. Yeah. Kelly -- what Kelly would do is whenever	16 Q. And then she personalized them for those
17 we requested uniforms or uniform samples she would	17 individuals?
18 always personalize them, like with Airport Authority	18 A. Yeah. She would just put the Airport Authority
19 logos or those. So she would come in and as part of	19 in embroidery and -- and just distribute them out.
20 presentation when we were redoing uniforms for -- for --	20 Q. How many did you personally receive?
21 like the ambassadors that we have at our check points or	21 A. I think through the years I might have received
22 the customer service reps or looking at different	22 two, three, you know, of them. But typically --
23 uniform samples for different areas, she would come and	23 typically I would have to be in a shirt and a tie so I
24 leave samples.	24 would -- I would take a lot of those and -- and just
25 And then she would just leave them behind. And	25 give them out.
Page 210	Page 212
1 then what I would do is take those uniforms and just	1 Q. Did you give them to anyone other than the
2 distribute them because she had no more use for them.	2 people you just mentioned?
3 She had already personalized them, you know, by	3 A. Yeah, on -- on a couple of occasions during
4 embroidery so she -- she had no use. She couldn't take	4 Christmastime I had purchased windbreakers --
5 them back.	5 windbreakers from Kelly with the Airport Authority logo.
6 Q. How many samples did you receive from Kelly?	6 I had given those out to -- I believe Ted has one. Ted
7 A. I think through the time maybe eight or ten	7 has one, Amiel has one, Jeff and Jay. So I had bought
8 different samples.	8 them as presents for my employees, give away so --
9 Q. When did you first start receiving samples from	9 Q. You bought those?
10 Kelly?	10 A. Huh?
11 A. You know, just -- just through the times she	11 Q. I'm asking if you gave away any samples to any
12 would come through. And whenever we -- we ask for	12 other employees.
13 samples on certain uniforms or certain styles she would	13 A. Yeah. We would just have them -- she would
14 come in and bring them and leave them behind or there	14 leave them -- she would leave them in my office and
15 would be times that she would come in and leave samples	15 then, you know, pretty much the rule was, hey, if -- if
16 to -- for the employees, hey, these are uniforms for	16 they were there and you want them and they fit you, go
17 them, go ahead and give that to them.	17 ahead and take them because she couldn't take them back.
18 Q. Who did she give samples to, do you know?	18 She had no use for them.
19 A. To -- to the employees.	19 Q. How many samples would you estimate she left in
20 Q. Do you know who specifically?	20 your office?
21 A. She would give -- she would come in and leave	21 A. I don't know, maybe 15 different types of
22 samples or what -- what she would do is in her line of	22 samples.
23 business she -- she would have clients that would	23 Q. Over the period of years?
24 request samples, not just for the Airport Authority but	24 A. Yeah.
25 through all her different clients. And then if she felt	25 Q. And how many did you keep for you or your

53 (Pages 209 to 212)

Page 213	Page 215
1 family?	1 A. Never.
2 A. For me, maybe, you know, a shirt here and	2 Q. Either free or paid for?
3 there, that's it.	3 A. Never.
4 Q. And how about for your family?	4 Q. Did you ever go on the website and say that --
5 A. None.	5 tell your employees that you were picking items out?
6 Q. None?	6 A. No, never.
7 A. Uh-huh.	7 Q. Have you ever heard Kelly Pond say that it's
8 Q. Did you ever receive a jacket from Kelly?	8 expensive to visit you?
9 A. There was a jacket -- there was a black jacket	9 A. No.
10 that was there and that -- that -- when I cleared out my	10 MS. CHINN: What was the last one? Can you read it
11 office that stayed behind in the office. That was a	11 to me, Jennifer, that it was expensive what?
12 sample. It was a sample that was -- that was given but	12 (The record is read by the reporter.)
13 it's -- to the best of my ability I believe it's still	13 MS. McDONOUGH:
14 there. I don't know what they did with my office but it	14 Q. Did you speak to Kelly Pond at any time after
15 stayed behind.	15 the investigation began in December, 2005?
16 Q. You didn't take it with you?	16 A. Absolutely I did.
17 A. (No audible response.)	17 Q. Did you talk about the allegations and the
18 Q. Did you ever wear it?	18 complaint of the allegations against you?
19 A. No. I don't wear jackets.	19 A. Oh, absolutely. She called me immediately
20 Q. You never wore that jacket?	20 after the investigators -- immediately after the
21 A. No.	21 investigators -- or she got done with her interview with
22 Q. Did you ask her to bring that jacket?	22 the investigators.
23 A. No. Do you know what jacket you're referring	23 Q. And what was the substance of your
24 to?	24 conversation?
25 Q. Did you ask her to personalize the jacket for	25 A. She was -- she was rather perturbed with the
Page 214	Page 216
1 you?	1 line -- the line of questioning.
2 A. No. I never asked --	2 THE REPORTER: I need you to slow down a bit.
3 Q. Was it personalized?	3 THE WITNESS: Okay. I apologize.
4 A. I have never asked Kelly Pond to ever give me	4 MS. McDONOUGH:
5 anything, to ever personalize anything.	5 Q. Did she say anything specific about the line of
6 Q. What that jacket personalized?	6 questioning?
7 A. I believe if -- if -- if that one there had an	7 A. Yes. She was -- she was perturbed more to the
8 Airport Authority logo there was another one that she	8 sections that -- that related about possibilities of
9 had received as a sample but when I left employment at	9 some sort of relationship between Kelly Pond and I, that
10 Airport Authority it remained right in that office.	10 we had more than just a working relationship, that I may
11 Q. So the personalization was just the	11 have had some sort of personal relationship or that I
12 Airport Authority logo?	12 had been cheating on my wife with her.
13 A. Just the -- that's what I -- excuse me, that's	13 Q. Did she tell you anything else about her
14 what I mean by personalization is an Airport Authority	14 conversation with the investigator?
15 logo on it.	15 A. Yeah. Then she had gone through and asked
16 Q. Did the -- did Kelly Pond's mom own a sporting	16 me -- or went over the same line of questioning that you
17 goods store?	17 just did, did they ever give you this, did they ever
18 A. I believe she does.	18 give you that, you know, how much did you give them, all
19 Q. Did you ever order anything on-line from the	19 those type of questions.
20 sporting goods store?	20 Q. Did she tell you what her response was?
21 A. She had -- I had once requested of her if she	21 A. Yes.
22 can -- she can purchase at a discount some Nike golf	22 Q. What did she tell you?
23 shoes but her mom was unable to do that.	23 A. Pretty much the same what I just told you.
24 Q. Did you ever receive anything from her mom's	24 Q. Did you talk to her about anything else about
25 sporting goods store?	25 the investigator or the investigation?

54 (Pages 213 to 216)

<p style="text-align: center;">Page 217</p> <p>1 A. Just really the focus was on how -- with her on 2 how upset she was on the references that -- you know, 3 that -- or allegations that I may have been cheating on 4 my wife with her.</p> <p>5 Q. Did Kelly Pond or her mom ever provide you with 6 running shoes?</p> <p>7 A. No. She provided Jim Myhers with running 8 shoes, never with me.</p> <p>9 Q. How do you know that she provided Jim Myhers 10 with running shoes?</p> <p>11 A. Because Jim Myhers would walk in with new shoes 12 and say, hey, where did you get those, well, I got them 13 from Kelly.</p> <p>14 Q. How often did Kelly Pond come into the office 15 say on a monthly basis?</p> <p>16 A. Maybe a couple of times. There would be times 17 that I wouldn't see her for months and there would be 18 times she would come around.</p> <p>19 Q. How often?</p> <p>20 A. So maybe once or twice every couple of weeks. 21 She would be doing business, not just with me but with 22 the terminal operation side. She did business with -- 23 with Human Resource.</p> <p>24 They had -- the Airport Authority created this 25 Airport Authority store where you can go on and -- and</p>	<p style="text-align: center;">Page 219</p> <p>1 A. We've probably -- I've probably had occasion to 2 stop by and see her four or five different times. She 3 continues to do uniforms for me and -- and my current 4 company. So I go through -- I give her business. And 5 when we're sitting there and chatting we'll bring it up, 6 we'll mutually bring it up, hey, where are you at with 7 the -- you know, with what's going on with the 8 Airport Authority.</p> <p>9 Q. Has she ever offered an opinion on the 10 allegations in your complaint?</p> <p>11 A. I believe she's offered on many occasions to 12 support me with my allegations.</p> <p>13 Q. Has she said specifically what she will support 14 you with?</p> <p>15 A. She will -- she will support me to the point 16 that to refute the allegations that she ever gave me -- 17 that I ever requested such things from her.</p> <p>18 Q. Do you know when your wife received the 19 uniforms, the embroidered shirts?</p> <p>20 A. Maybe two years ago, probably over that, maybe 21 two, three years ago now.</p> <p>22 Q. It was for a soccer team?</p> <p>23 A. Yeah, just a soccer team.</p> <p>24 Q. For one of your children?</p> <p>25 A. No, for her.</p>
<p style="text-align: center;">Page 218</p> <p>1 on the web -- on like an internal website and purchase 2 shirts and sweaters and jackets and stuff that were 3 purchased through Kelly. So she would go and talk to 4 Kim Rodriguez, who kind of ran that store there. And 5 so, you know, those were the type of relations. She 6 would come through or she would just stop by to say hi.</p> <p>7 Q. What's the name of Kelly's business?</p> <p>8 A. Image Concepts.</p> <p>9 Q. Do you know if she still does work for the 10 Authority --</p> <p>11 A. I'm not sure --</p> <p>12 Q. -- the shirts?</p> <p>13 A. I'm not sure who she does -- I'm sure she still 14 continues to do work for LPI. What level of work she 15 does for the Airport Authority I -- I can't tell --</p> <p>16 MS. CHINN: Is he too fast?</p> <p>17 THE WITNESS: Sorry.</p> <p>18 THE REPORTER: It's okay.</p> <p>19 MS. McDONOUGH:</p> <p>20 Q. After that conversation you had with Kelly in 21 December of 2005 regarding the investigation have you 22 had any subsequent conversations with her about the 23 allegations in your complaint?</p> <p>24 A. Yes, I have.</p> <p>25 Q. How many conversations have you had?</p>	<p style="text-align: center;">Page 220</p> <p>1 Q. Oh, for her?</p> <p>2 A. Uh-huh. Kelly -- Kelly at that particular time 3 had extra yellow shirts -- yellow or green -- yellow or 4 green shirts at her house, you know, that she had 5 purchased. They really looked like under shirts. They 6 were like \$2 shirts. And she said, hey, can you use 7 those for uniforms. She said, yeah, I'll embroider them 8 for you.</p> <p>9 Q. Do you still have any of those shirts at your 10 house?</p> <p>11 A. No. They don't last that long. Two dollar 12 shirts just don't last that long.</p> <p>13 Q. Did you ever go to Kelly's Pub -- not 14 Kelly Pond's pub but Kelly's Pub --</p> <p>15 A. Yes, I have.</p> <p>16 Q. -- with Amy Gosselin, Amiel --</p> <p>17 A. Yes.</p> <p>18 Q. -- Kelly Pond?</p> <p>19 A. As a going away party for an employee.</p> <p>20 Q. Who was the employee?</p> <p>21 A. I believe it's the same employee from 22 environmental. I wish I could remember her name but I 23 don't. I apologize.</p> <p>24 Q. When was -- when was the occasion that you went 25 there?</p>

55 (Pages 217 to 220)

Page 221

Page 223

1 A. I don't remember. I don't remember. I know it  
 2 was brought up. You probably have a date, I don't.  
 3 Q. Who purchased drinks at Kelly's Pub?  
 4 A. We had all purchased drinks. I had gone  
 5 through -- because I arrived first and as people came in  
 6 I bought some round of drinks. Amiel came in, bought a  
 7 round of drinks. When Kelly -- Kelly Pond came in she  
 8 round -- bought a round of drinks. So, you know, we all  
 9 kind of took turns. And probably, you know, no more  
 10 than half hour after Kelly left -- came in, because she  
 11 ended up late, I ended up going home.

12 Q. Do you know how many people were there?

13 A. I want to say maybe 10, 12 different people  
 14 were there.

15 Q. Do you remember who was there?

16 A. No, I don't.

17 Q. Was Amy Gosselin there?

18 A. You said she was.

19 Q. I'm asking you if you remember her being there.

20 A. I -- I believe she was there, yes.

21 Q. Was Amiel there?

22 A. I believe he was there.

23 Q. Do you remember anyone else?

24 A. I don't remember the specifics of who -- who  
 25 all was there. We had gone there on several other

1 copy -- or the original of the transcript to Ms. Chinn.  
 2 Ms. Chinn will give it to Mr. Hernandez and he will have  
 3 30 days to review the transcript and to make any  
 4 changes, sign it under penalty of perjury.

5 Ms. Chinn agrees to notify our office of  
 6 Mr. Hernandez's signature of the transcript and to  
 7 notify us of any changes that are made to the transcript  
 8 within that 30 day period.

9 In the event that the original transcript is lost  
 10 or destroyed we agree that a certified copy may be used  
 11 in lieu thereof. And Ms. Chinn agrees to make the  
 12 original transcript available at any proceeding upon  
 13 reasonable notice.

14 MS. CHINN: He'll make the corrections 30 days  
 15 after the receipt of the transcript. Otherwise, so  
 16 stipulated.

17 THE VIDEOGRAPHER: Off the record at 4:33.

18 (Whereupon the documents referred to are marked by  
 19 the reporter as Defense Exhibits 1 through 8 for  
 20 identification.)

21 (The proceedings concluded at 4:33 p.m.)

22 (Signature on following page.)

23 \*\*\*

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Page 224

1 occasions.

2 Q. You and whom?

3 A. Amiel or just -- just other members of the  
 4 Airport Authority, just going down for a drink after  
 5 work.

6 Q. Was Marie Cole there?

7 A. I don't -- I can't -- I can't tell you whether  
 8 she was or not.

9 Q. Was Carol there?

10 A. I can't tell you whether she was or not.

11 Q. Jennifer Hamilton?

12 A. I can't tell you whether she was there or not.

13 Q. Is there anything that would refresh your  
 14 recollection?

15 A. No, a picture if you had one.

16 MS. McDONOUGH: Okay. It's 4:30. We agreed to end  
 17 the day now. We'll go ahead and conclude today's  
 18 deposition but we will start tomorrow again at 9:30.

19 THE WITNESS: Okay. In the same room?

20 MS. McDONOUGH: We're going to be actually on the  
 21 10th floor in the main conference room. So we're just  
 22 suspending for the day. I'm not finished with your  
 23 deposition today.

24 We agree that the court reporter will prepare a  
 25 transcript of today's proceedings. She will send a

1 I declare under penalty of perjury under the laws  
 2 of the State of California that the foregoing is true  
 3 and correct.

4

5 Executed at \_\_\_\_\_, California,  
 6 on \_\_\_\_\_.

7

8

9

JOSE DE JESUS HERNANDEZ

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56 (Pages 221 to 224)

Page 225

1 STATE OF CALIFORNIA ) ss  
2 I, Jennifer K. Winters, CSR 8543, do hereby  
3 declare:  
4 That, prior to being examined, the witness named in  
5 the foregoing deposition was by me duly sworn pursuant  
6 to Section 2093(b) and 2094 of the Code of Civil  
7 Procedure;  
8  
9 That said deposition was taken down by me in  
10 shorthand at the time and place therein named and  
11 thereafter reduced to text under my direction.

12  
13 I further declare that I have no interest in the  
14 event of the action.

15  
16 I declare under penalty of perjury under the laws  
17 of the State of California that the foregoing is true  
18 and correct.

19  
20 WITNESS my hand this \_\_\_\_\_ day of  
21 \_\_\_\_\_, 2006.

22  
23 Jennifer K. Winters, CSR 8543

**Deposition of  
JOSE DE JESUS HERNANDEZ, VOL. II**

**HERNANDEZ v. SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**

*Taken On  
December 19, 2006*

**Transcript provided by:**

**HUTCHINGS<sup>SM</sup>**  
COURT REPORTERS, LLC  
CSR 449

GLOBAL LEGAL SERVICES

**800.697.3210**

HERNANDEZ vs. SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

December 19, 2006

JOSE DE JESUS HERNANDEZ, VOL. II

1 CERTIFIED COPY  
 2 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
 3 FOR THE COUNTY OF SAN DIEGO  
 4  
 5 JOSE HERNANDEZ, )  
 6 Plaintiff, )  
 7 vs. ) No. GIC 871979  
 8 SAN DIEGO COUNTY REGIONAL AIRPORT )  
 9 AUTHORITY, a public entity; and )  
 10 DOES 1 through 12, inclusive, )  
 11 Defendants. )  
 12  
 13 VOLUME II  
 14 DEPOSITION OF JOSE DE JESUS HERNANDEZ, the plaintiff  
 15 herein, noticed by PAUL, PLEVIN, SULLIVAN &  
 16 CONNAUGHTON LLP, taken at 401 B Street, 10th  
 17 Floor, San Diego, California, at 10:10 a.m. on  
 18 Tuesday, December 19, 2006, before Suzanne M.  
 19 Soper, CSR 8120.  
 20  
 21 Hutchings Number 146567-S0  
 22  
 23  
 24  
 25

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1 EXHIBITS  
 2 Exhibit identification within the transcript is flagged  
 3 with "[EXH]" as an identifier.  
 4  
 5 DEFENSE DESCRIPTION IDENTIFIED MARKED  
 6 8 E-mail dated December 13, 2005 231 430  
 7 to Jose Hernandez from  
 8 Mark McDonald  
 9 [EXH-8]  
 10  
 9 Copy of credit card statement 248 430  
 8 for Jose Hernandez, Page 2 of 2  
 10 [EXH-9]  
 11  
 10 Copy of check to Jose Hernandez 249 430  
 11 from Bratton K. Lobner for \$300  
 12 [EXH-10]  
 13  
 11 Packet of documents, the first 253 430  
 12 page headed "Sign In Sheet;  
 13 Course Name: Conflict of  
 14 Interest; Date: 2-4-05"  
 15 [EXH-11]  
 16  
 12 California Form 700 dated 259 430  
 13 February 4, 2005  
 14 [EXH-12]  
 15  
 13 California Form 700 dated 266 430  
 14 February 12, 2005  
 15 [EXH-13]  
 16  
 14 Two-page document headed 277 430  
 15 "Statement Of Economic  
 16 Interests"  
 17 [EXH-14]  
 18  
 15 California Form 700 Schedule D 282 430  
 16 [EXH-15]  
 17  
 16 Memorandum dated November 18, 402 430  
 17 2003 to Bryan Enarson from  
 18 Airport Operations  
 19 [EXH-16]  
 20  
 21  
 22  
 23  
 24  
 25

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1 APPEARANCES OF COUNSEL: Page 227  
 2 For Plaintiff:  
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 9 BY SANDRA L. McDONOUGH  
 10 401 B Street, Tenth Floor  
 11 San Diego, California 92101  
 12  
 13 Also Present: JAMES ROBBINS, Videographer  
 14 AMY GONZALEZ, San Diego County Regional  
 15 Airport Authority Senior Assistant General  
 16 Counsel  
 17  
 18  
 19 I N D E X  
 20 WITNESS: JOSE DE JESUS HERNANDEZ  
 21 EXAMINATION BY: PAGE  
 22 MS. McDONOUGH 230  
 23  
 24  
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 3 QUESTION MARKED AT THE REQUEST OF MS. CHINN: 302/23  
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1 (Pages 226 to 229)

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<p>1        THE VIDEOGRAPHER: This is the beginning of the  2        second volume of the videotaped deposition of Jose  3        Hernandez, beginning at 10:08 a.m. on December 19th,  4        2006.</p> <p>5        MS. MCDONOUGH: Good morning, Mr. Hernandez.</p> <p>6        THE WITNESS: Good morning.</p> <p>7        MS. MCDONOUGH: Would you mind swearing in the  8        witness? Yes.</p> <p>9        THE REPORTER: Sure.</p> <p>10</p> <p>11        JOSE DE JESUS HERNANDEZ,  12        the plaintiff herein, having been sworn, testifies as  13        follows:</p> <p>14</p> <p>15        -EXAMINATION-</p> <p>16</p> <p>17        BY MS. MCDONOUGH:</p> <p>18        Q. Good morning again.</p> <p>19        A. Good morning.</p> <p>20        Q. You understand that you're still under oath,  21        and it's the same oath today as you took yesterday?</p> <p>22        A. That's correct.</p> <p>23        Q. And the same ground rules that we discussed  24        yesterday apply today as well. Okay?</p> <p>25        A. Yes.</p>	<p>Page 230</p> <p>1        THE WITNESS: Yes.</p> <p>2        MS. CHINN: This is 8?</p> <p>3        MS. MCDONOUGH: This is 8.</p> <p>4        Q. And he says, "Korey was wondering if he could  5        get more passes." Do you know who Korey is?</p> <p>6        A. Korey, I believe, is one of his co-workers.</p> <p>7        Q. Do you know what passes he's referring to in  8        this e-mail?</p> <p>9        A. No, I don't.</p> <p>10       Q. Do you remember responding to this e-mail?</p> <p>11       A. I don't recall.</p> <p>12       Q. Have you ever given Mark or Korey passes to  13       anything?</p> <p>14       A. I don't recall.</p> <p>15       Q. So you have no idea what this refers to?</p> <p>16       A. No.</p> <p>17       Q. Is Mark McDonald still at First American Title?</p> <p>18       A. Yes, he is.</p> <p>19       Q. Did Jennifer Hamilton help you plan your wife's  20       birthday party, her 30th birthday party?</p> <p>21       A. She did at her -- at her request.</p> <p>22       Q. Did she work on the birthday party during work  23       hours?</p> <p>24       A. I'm not sure when she worked on it. She had  25       volunteered her time to assist me in working -- or in</p>
<p>Page 231</p> <p>1        Q. If you need to take a break for any reason,  2        please let me know.</p> <p>3        And is there any reason why you cannot continue to  4        give your best testimony?</p> <p>5        A. No.</p> <p>6        Q. If at any point today you feel that you cannot  7        give your best testimony, please let me know.</p> <p>8        A. Okay.</p> <p>9        Q. We'll mark as Exhibit 8 an e-mail from  10       Mark McDonald to you. [EXH-8]</p> <p>11       A. Mm-hmm.</p> <p>12       Q. And I'm actually going to mark through  13       something that's on the top. We will redact it before I  14       attach it as an exhibit.</p> <p>15       Have you ever seen this e-mail before?</p> <p>16       A. I don't recall.</p> <p>17       Q. Who is Mark McDonald?</p> <p>18       A. Mark McDonald is a friend of mine.</p> <p>19       Q. And he works at First --</p> <p>20       MS. CHINN: Do you have a --</p> <p>21       MS. MCDONOUGH:</p> <p>22       Q. -- American Title?</p> <p>23       MS. CHINN: -- copy for me?</p> <p>24       MS. MCDONOUGH: Mm-hmm.</p> <p>25       MS. CHINN: Thank you.</p>	<p>Page 231</p> <p>1        helping plan the party. That's what she wanted to do.</p> <p>2        Q. Did you ask anyone else to help you plan your  3        wife's 30th birthday party?</p> <p>4        A. No. I did not ask her. I did not ask her; she  5        volunteered.</p> <p>6        Q. No. Did you ask Carol to help you?</p> <p>7        A. I don't recall if I did.</p> <p>8        Q. How did Jennifer know that you were planning a  9        party for your wife?</p> <p>10       A. Jennifer and I had occasions to speak on a  11       daily basis, and I had brought up the issue that "Oh,  12       now I" -- "I got to plan a party for my wife for her  13       30th party."</p> <p>14       She said, "Oh, I'll help you. I like planning  15       parties." In fact, her and I had talked on many  16       occasions where she wanted to go into a meeting plan or  17       event planning. And she thought she was good at it, and  18       she wanted to -- she wanted to help out.</p> <p>19       Q. What did she want to do to help plan the party?</p> <p>20       A. She had -- We had worked together to come up  21       with some themes, and she had put some favors together,  22       party favors. She helped -- She kind of helped put it  23       together.</p> <p>24       Q. Did she create the invitations?</p> <p>25       A. I don't recall if she did.</p>

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<p>1 Q. When did you talk about the themes for the 2 birthday party?</p> <p>3 A. I don't recall.</p> <p>4 Q. Was it during work hours?</p> <p>5 A. Maybe during work hours because that's 6 typically when I would talk to Jennifer.</p> <p>7 Q. About how long did you spend talking about 8 themes for your --</p> <p>9 A. Oh --</p> <p>10 Q. -- wife's birthday party --</p> <p>11 A. -- probably no more --</p> <p>12 Q. -- with her?</p> <p>13 A. -- than a couple minutes.</p> <p>14 Typically when she would walk in and say "Hi" in 15 the morning or during breaks, you know, we would talk 16 about it.</p> <p>17 Q. What party favors did she put together for your 18 wife's birthday party?</p> <p>19 A. I don't -- I don't recall.</p> <p>20 I know that I had given her some money, and she 21 went down to Party City or somewhere and put some stuff 22 together.</p> <p>23 Q. Do you know if she went to Party City during 24 work hours?</p> <p>25 A. I'm not sure.</p>	<p>Page 234</p> <p>1 A. Yes.</p> <p>2 Q. Did he ever pick you up in an Authority vehicle 3 from USA --</p> <p>4 A. I don't --</p> <p>5 Q. -- Cab?</p> <p>6 A. -- recall which vehicle there were.</p> <p>7 A lot of times, if I did, it would be early in the 8 morning where he could pick me up on his way in to work.</p> <p>9 Q. Do you ever recall a time where Jeff Simmons 10 used an Authority vehicle to pick you up from USA Cab?</p> <p>11 A. I don't recall specifically when, and if.</p> <p>12 Q. Have you ever had an Authority vehicle parked 13 at your home?</p> <p>14 A. Yes.</p> <p>15 Q. On how many occasions?</p> <p>16 A. Maybe one or two occasions.</p> <p>17 The one that comes to mind was during one of 18 Della's barbeques, I had to go --</p> <p>19 THE REPORTER: You're just slightly left, 20 turning --</p> <p>21 THE WITNESS: Oh, I'm sorry.</p> <p>22 THE REPORTER: -- to the left. And if you could 23 just keep your voice up, that --</p> <p>24 THE WITNESS: Okay.</p> <p>25 THE REPORTER: -- I would appreciate it.</p>
<p>Page 235</p> <p>1 Q. Did you give her time off to help plan your 2 wife's birthday party?</p> <p>3 A. I don't believe I did.</p> <p>4 Q. Did Jennifer Hamilton assist you with any other 5 personal items?</p> <p>6 A. I don't recall if there was.</p> <p>7 Q. Do you recall Jennifer Hamilton helping you 8 make a gift certificate for your wife for 9 Valentine's Day?</p> <p>10 A. I don't recall if I did.</p> <p>11 Q. Have you ever given your wife a gift 12 certificate for Valentine's Day?</p> <p>13 A. I don't remember what I gave her last 14 Christmas.</p> <p>15 Q. Have you ever used Authority vehicles for your 16 own personal use?</p> <p>17 A. I don't believe I have.</p> <p>18 Q. Did you ever ask Jeff Simons -- I'm sorry -- 19 Simmons to follow you to USA Cab in an Authority 20 vehicle?</p> <p>21 A. I believe I had asked Jeff on a couple of 22 occasions on his way in to work to pick me up, because 23 he lives off the 5 -- if he can pick me up because I was 24 leaving the car to be serviced.</p> <p>25 Q. To pick you up from USA Cab?</p>	<p>Page 237</p> <p>1 THE WITNESS: There was one occasion -- There was 2 one occasion when I took a vehicle home because it was 3 full of hay bales. I had gone out to a feed store in -- 4 in the East County full of bales, and then I brought 5 them in. So I went out late at the end of the day, took 6 the hay bales. They were at my house. The next morning 7 drove the car in.</p> <p>8 MS. MCDONOUGH:</p> <p>9 Q. Was there any other time that you took an 10 Authority vehicle home at lunchtime?</p> <p>11 A. I don't recall.</p> <p>12 Q. Is it possible?</p> <p>13 A. I don't recall.</p> <p>14 Q. Did you ever have a business reason to take 15 your Authority vehicle home during lunchtime?</p> <p>16 A. If -- You know, I -- I don't recall if I did.</p> <p>17 Q. Did you purchase Poinsettia Bowl tickets for 18 Bret --</p> <p>19 A. Yes, I did.</p> <p>20 Q. -- at any point?</p> <p>21 A. Yes, I did.</p> <p>22 Q. Where did you obtain those tickets from?</p> <p>23 A. They were obtained directly from the 24 Poinsettia Bowl box office.</p> <p>25 Q. Did you pay the full ticket price for those</p>

3 (Pages 234 to 237)

<p>1    tickets?</p> <p>2    A. Yes, I did. And receipts were submitted to 3    your office.</p> <p>4    Q. And did Bret pay you the full ticket price for 5    those tickets?</p> <p>6    A. That's correct.</p> <p>7    MS. CHINN: She's talking about Bret Lobner?</p> <p>8    THE WITNESS: Right, Bret Lobner.</p> <p>9    MS. MCDONOUGH: "Lobner."</p> <p>10   Q. Were those tickets tickets that are available 11   to the public?</p> <p>12   A. No.</p> <p>13   Q. How did you obtain them?</p> <p>14   A. I had put in a special call on a request to the 15   Polsettia Bowl Organizing Committee for access to those 16   tickets.</p> <p>17   Q. Why do you believe that those tickets are not 18   available to the public?</p> <p>19   A. Because they were blocked out, and they were 20   booster -- booster alumni -- They were -- They were 21   tickets that would be unavailable for the box office. 22   They were blocked out, blocked-out tickets.</p> <p>23   Q. But you didn't tell Bret Lobner that they were 24   unavailable to the public?</p> <p>25   A. I believe I did.</p>	<p>Page 238</p> <p>1    THE WITNESS: I apologize.</p> <p>2    THE REPORTER: I can't hear you when you turn.</p> <p>3    THE WITNESS: Okay.</p> <p>4    THE REPORTER: Sorry.</p> <p>5    THE WITNESS: I had got -- Ted Sexton -- Ted Sexton 6    was in Bret's office discussing something or other. I'm 7    not sure what it was. Immediately after that meeting, 8    Ted Sexton gave me a call and said, "Could you" -- 9    "Could you make some calls and get" -- "and get some 10   good tickets for the counselor?"</p> <p>11   And I was at the terminals. I came back to the 12   commuter terminal, went upstairs and -- and met with 13   Ted, Bret, in his office, and say, "Okay. What is it 14   you guys want me to do?"</p> <p>15   "Well, the" -- "the counselor and his family want 16   to go to the game," you know. "Just get them the best 17   tickets you can get. Could you make" -- Specifically 18   from Ted, "Could you make a call to your contacts at the 19   Host Committee and get them some good tickets?"</p> <p>20   MS. MCDONOUGH:</p> <p>21   Q. So Ted is the one who asked you to make a call 22   to your contacts?</p> <p>23   A. That's correct.</p> <p>24   Q. Bret Lobner never asked you to make a call to 25   your contacts?</p>
<p>Page 239</p> <p>1    Q. But not before you purchased the tickets?</p> <p>2    A. I believe -- I believe when we went through -- 3    when we went through the -- the mapping and I was -- and 4    I was told of which tickets were available, we went over 5    and let him know that "These are available. These are 6    good. These are usually set aside just for alumni, 7    alumni boosters, Holiday Bowl Committee."</p> <p>8    So we went over his options. And he said, "Go 9    ahead and purchase these for me."</p> <p>10   Q. You specifically told Bret Lobner about the 11   seating chart and the --</p> <p>12   A. When --</p> <p>13   Q. -- tickets that were available?</p> <p>14   A. When we went through, we went over a seating 15   chart that I had printed out. And I don't recall if it 16   was printed out either via email -- on -- on the website 17   or it was printed out off of the -- the map that's in 18   the phone book.</p> <p>19   Q. Who else was there when you talked to Bret 20   about that?</p> <p>21   A. The original request had come in from -- from 22   Ted Sexton. I had got a call --</p> <p>23   THE REPORTER: "From" --</p> <p>24   THE WITNESS: From Ted Sexton, S-e-x-t-o-n.</p> <p>25   THE REPORTER: I just couldn't hear you.</p>	<p>Page 241</p> <p>1    A. The original request came from Ted Sexton to do 2    whatever I could to get him the best tickets possible 3    for that event, him and his family.</p> <p>4    Q. But Bret Lobner never made a specific request 5    to you to call your contacts to get the tickets?</p> <p>6    A. The specific request came from Ted Sexton.</p> <p>7    Q. Just a "yes" or "no."</p> <p>8    A. Yes.</p> <p>9    Q. Did Bret Lobner specifically ask you to call 10   your contacts to get tickets for the Holiday --</p> <p>11   A. Not initially.</p> <p>12   Q. -- or for the Polsettia Bowl?</p> <p>13   A. Not initially, no.</p> <p>14   Q. Did he ever ask you to call your contacts to 15   get tickets to the Polsettia Bowl?</p> <p>16   A. The -- The conversations that were made were 17   just "Try to get me the best tickets available."</p> <p>18   Q. And that's all he said, was "Try to get me the 19   best tickets available"?</p> <p>20   A. That's correct.</p> <p>21   So then I went back to my office. I made a call to 22   the Host Committee and asked them what tickets were 23   available.</p> <p>24   The Host Committee asked me, "Do you want them for 25   free, or do you not want them for free?"</p>

4 (Pages 238 to 241)

1 And, you know, went back to the counselor and --  
 2 No. Went back to Ted originally and said, "Ted, do you  
 3 want the tickets for free or do you not want them for  
 4 free?"  
 5 He says, "No," you know. "Do whatever you think  
 6 you want to do."  
 7 So I said -- went back to the Host Committee and  
 8 said, "Just tell me which tickets are available."  
 9 I printed them out at -- I either printed the map  
 10 out off the Internet or printed it from the phone book,  
 11 went back over -- went back over to -- to Bret's office  
 12 before I purchased the tickets, went over, showed him  
 13 the map and said, "We either have field level, 50 yards,  
 14 here," you know, "or in the gold section or the club  
 15 section up here, 50 yards here. Once again, these  
 16 tickets are always" -- "or are reserved tickets.  
 17 They're not available for the public. If you want them,  
 18 we can get them for you."  
 19 Q. And you're certain that you told him that  
 20 these --  
 21 A. I am certain.  
 22 Q. Hold on.  
 23 -- that these tickets were not available to the  
 24 public?  
 25 A. I'm certain.

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1 THE WITNESS: Okay.  
 2 MS. MCDONOUGH: Make a note when she talks to her  
 3 client, please. Thanks.  
 4 MS. CHINN: Is it better if you turn --  
 5 THE REPORTER: Can we go off the record?  
 6 MS. CHINN: Yeah.  
 7 THE VIDEOGRAPHER: Off the record at 10:23.  
 8 (A discussion is held off the record.)  
 9 THE VIDEOGRAPHER: Back on the record at 10:25.  
 10 MS. MCDONOUGH:  
 11 Q. Let's go back to when you took the map to  
 12 Bret Lobner and showed him where the seats were.  
 13 And you testified that Ted was also in the room at  
 14 that time?  
 15 A. No.  
 16 Q. "No."  
 17 A. "No."  
 18 Q. It was just you and Bret?  
 19 A. The -- The initial contact for -- for the  
 20 tickets had come from Ted. And there was -- you know,  
 21 lack of a better word -- an initial introduction. "Hey,  
 22 the counselor wants some tickets for this game. What  
 23 can you do for him?" He was there at that meeting. The  
 24 three of them were both -- The three of us were there at  
 25 that meeting.

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1 Q. What relationship, if any, did the Authority  
 2 have with the Host Committee for the Poinsettia Bowl?  
 3 A. There's no relationship.  
 4 Q. What was the name of the person that you called  
 5 at the -- for the Poinsettia Bowl to get the tickets?  
 6 A. I don't remember his last name, but his name is  
 7 Mark.  
 8 Q. How do you know Mark?  
 9 A. Mark -- Mark and I had worked on previous  
 10 holiday bowls together just helping do some organizing  
 11 stuff with -- with team arrivals and departures.  
 12 Q. And the Holiday Bowl sponsors the  
 13 Poinsettia Bowl; is that correct?  
 14 A. The Holiday Bowl Committee is the same  
 15 committee that oversees both bowls.  
 16 Q. And this was the Holiday -- or I'm sorry -- the  
 17 Poinsettia Bowl for 2005?  
 18 A. I believe that was the first Poinsettia Bowl  
 19 that was put together, yes.  
 20 MS. CHINN: Can you hear him?  
 21 MS. MCDONOUGH:  
 22 Q. And the second one is today.  
 23 A. Yeah.  
 24 MS. CHINN: You've really got to pay attention to  
 25 Suzanne.

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1 I went back, made some calls. It took me a little  
 2 bit to get ahold of Mark at the Host Committee. When he  
 3 finally came back from -- When I finally made contact  
 4 with him, that's what I printed out -- when I printed  
 5 out the information, came back and sat down with Bret  
 6 before I went and purchased the tickets from -- from the  
 7 box office.  
 8 Q. Was there anyone else in the room?  
 9 A. It was just Bret and myself.  
 10 Q. How long was that discussion with Bret where  
 11 you looked at the tickets?  
 12 A. When we looked at the seating map, probably no  
 13 more than five minutes.  
 14 Q. Do you remember if his door was open?  
 15 A. His door was open.  
 16 Q. Do you remember if his assistant was sitting  
 17 out there?  
 18 A. I don't -- I don't recall if Candy was sitting  
 19 out at the desk or not.  
 20 Q. Had you worked with your contact Mark from the  
 21 Holiday Bowl in connection with the Poinsettia Bowl at  
 22 all in 2005?  
 23 A. Yes.  
 24 Q. What had you worked on with Mark in 2005 in  
 25 connection with the Poinsettia Bowl?

5 (Pages 242 to 245)

<p>1 A. The only thing we would do with -- with the  2 Poinsettia Bowl was just to work with the committee,  3 just to organize their BFB arrivals.  4 The Host Committee always made it a practice to go  5 out and meet the teams, and he just needed some  6 assistance in -- in coordinating that, not that he  7 couldn't do it by himself, but we had -- we had board  8 members who, as individuals, were part of that Host  9 Committee, and we just wanted to make sure everything  10 was done right.  11 So we -- we -- we would volunteer or I would  12 volunteer to ensure that -- that those -- those events  13 went over right, typically because those team arrivals  14 occurred over the weekend. So I volunteered my own time  15 to come in and -- and assist them on those.  16 Q. Did you volunteer your time as an employee of  17 the Authority to assist?  18 A. I volunteered my time as -- as community  19 service. "As a community event, I'll go down and help  20 you however" -- "however you think I can."  21 Q. So not as part of your employment duties with  22 the Authority?  23 A. No. It was just a volunteer. It's a community  24 event, and I just felt, you know, if I can assist in any  25 way possible, I -- I would do so.</p>	<p>Page 246</p> <p>1 ones that you were purchasing for Bret Lobner?  2 A. No.  3 Q. How did you pay for the Poinsettia Bowl tickets  4 that you obtained from the ticket manager?  5 A. I put them on my credit card.  6 Q. I'll mark as Exhibit 9 a copy of a credit card  7 transaction. [EXH-9]  8 A. Mm-hmm.  9 Q. Do you recognize this document?  10 A. That's correct, yeah. I do. This was a  11 document that we provided to your office.  12 Q. And what is this document that --  13 A. This --  14 Q. -- we've marked as Exhibit 9?  15 A. This is a copy of our credit card statement  16 that we pulled offline showing that -- showing that we  17 had purchased on our credit card -- on my credit card  18 tickets for the Holiday Bowl.  19 Q. And then we'll mark -- Well, strike that.  20 If you look on transaction date December 2003, it  21 is \$300 for the Holiday Bowl. And that's the \$300 that  22 you paid for the tickets for Bret Lobner to go to the  23 Poinsettia Bowl --  24 A. That's correct.  25 Q. -- Is that correct?</p>
<p>1 Q. Which board members were on the Host Committee?  2 A. I believe Xema Jacobsen was part of the Host  3 Committee, and -- and the chairman was -- were part of  4 the Host Committee.  5 Q. How did you physically obtain the tickets from  6 the Holiday Bowl or Poinsettia Bowl?  7 A. Once -- Once the decision was made -- was made  8 of which tickets he wanted to purchase, I drove down  9 to -- I then drove down to QUALCOMM stadium and -- and  10 went up to the private ticket office upstairs and met  11 with the ticket manager, which he then pulled them off  12 of hold for me.  13 Q. So you had already called in advance and put  14 the tickets on hold?  15 A. That's correct.  16 Q. And Amiel Porta went with you; is that correct?  17 A. I believe Amiel Porta and Jennifer Hamilton  18 both had gone with me.  19 Q. Why did you bring Amiel and Jennifer with you?  20 A. They were -- They wanted to go get something to  21 eat, I believe. So we drove out there. We drove out  22 there, and we just said, "Well, since I got to drive out  23 there, on the way back, we'll just stop and get  24 something to eat."  25 Q. Did you get any other tickets other than the</p>	<p>Page 247</p> <p>1 A. That's the total price for six tickets.  2 Q. And then we'll mark as Exhibit 10 a check from  3 Bret Lobner to you dated December 2nd, 2005 in the  4 amount of \$300. [EXH-10]  5 Is this the check that Bret Lobner gave to you to  6 reimburse you for the Poinsettia Bowl tickets?  7 A. Yes.  8 Q. And you cashed this check?  9 A. Yes.  10 Q. And this check covered the entire cost of the  11 tickets?  12 A. Yes.  13 Q. And Bret Lobner paid face value for the  14 tickets?  15 A. \$300. Yes, ma'am.  16 Q. That's correct? "Yes"?  17 A. Yes.  18 Q. You mentioned earlier that you were already  19 going down to the stadium to purchase tickets --  20 A. No.  21 Q. -- that day?  22 A. I had no reason.  23 Q. I thought you said that Ted Sexton offered you  24 to buy tickets for Bret because you said you were  25 already going down there that day.</p>

6 (Pages 246 to 249)

<p>1 A. I had no reason to go to the stadium that day.  2 Q. Did you go to the Poinsettia Bowl in 2005?  3 A. No, I did not.  4 Q. Did you personally deliver the tickets to  5 Bret --  6 A. Yes, ma'am.  7 Q. -- when you returned to the office that day?  8 A. Yes, ma'am.  9 Q. I asked you yesterday regarding buddy passes  10 that you received from Southwest Airlines.  11 A. Yes, ma'am.  12 Q. Do you remember that?  13 A. Yes, ma'am.  14 Q. And you testified that your children received  15 buddy passes to fly to Las Vegas, and you were unsure  16 about whether your wife did. Is that correct?  17 A. That's correct.  18 Q. Do you recall telling investigators, in  19 December 2005, that you used a buddy pass from  20 Mike Parrish to fly to Las Vegas to attend a female's  21 30th birthday party?  22 A. I -- I don't recall.  23 Q. Did you ever fly to Las Vegas for just one day  24 to attend a female's 30th birthday party?  25 A. I did. But I don't recall how it is that --</p>	<p>Page 250  1 MS. CHINN: Well, you don't need to know this  2 woman's identity and her address and where she lives.  3 MS. MCDONOUGH:  4 Q. If you had purchased the ticket to fly to  5 Las Vegas for Danielle's birthday party, would that  6 purchase have been on your credit card?  7 A. No.  8 Q. How would you --  9 A. It could --  10 Q. -- have paid for it?  11 A. It could have either been cash or -- or credit  12 card.  13 Q. Have you ever paid cash for an airline ticket?  14 A. Yes.  15 Q. And you pay cash by going to the ticket counter  16 at the airport?  17 A. Yes.  18 MS. CHINN: Let's go off the record, please. I  19 want to talk to my client.  20 THE VIDEOGRAPHER: Off the record. The time is  21 10:35.  22 (The witness and his counsel confer off the  23 record.)  24 THE VIDEOGRAPHER: Back on the record at 10:37.  25 MS. MCDONOUGH:</p>
<p>1 that -- that I got there.  2 Q. Who's birthday party was that?  3 A. This is a friend of ours from Orange County,  4 Danielle Kenney.  5 Q. When was her birthday?  6 A. I don't -- I -- I don't recall.  7 Q. Do you have her contact information?  8 A. No, I don't. They've moved. They've moved  9 from the area.  10 Q. Do you know where she lives now?  11 A. No.  12 Q. Where did she used to live?  13 A. Used to live in Orange County.  14 Q. Do you know where in Orange County?  15 MS. CHINN: I'll object to this entire line of  16 questioning and ask the Court to strike it.  17 MS. MCDONOUGH: What's the basis for the objection?  18 MS. CHINN: It's not relevant. It has nothing to  19 do with this case.  20 If you want to talk about the buddy passes, that's  21 fine. But the identity of this woman, I think it  22 invades her third-party privacy.  23 MS. MCDONOUGH: I'm just trying to figure out when  24 he went to Las Vegas, if he could remember when he went  25 there.</p>	<p>Page 251  1 Q. Do you remember telling the investigators in  2 December 2005 that you used a buddy pass to fly to  3 Las Vegas for Danielle's birthday party?  4 A. I don't recall. I know that during my  5 conversations with -- with the investigators, there was  6 a lot of insinuations on what I may or may not have  7 done.  8 MS. MCDONOUGH: Strike everything after "I don't  9 recall."  10 Q. Did you ever attend a conflict-of-interest  11 training while you were employed at the Authority?  12 A. I may have.  13 Q. Mark as Exhibit 11 a large packet of  14 information that starts with a sign-in sheet for a  15 course named "Conflict of Interest" dated February 4th,  16 2005. [EXH-11]  17 I'll turn to the third page, which is labeled  18 SDRAA 878.  19 A. Mm-hmm.  20 Q. At the top of that piece of paper, it has your  21 name, Jose Hernandez, a signature, "Landside," and  22 "2690."  23 Do you see that?  24 A. Yes.  25 Q. Was that your writing?</p>

7 (Pages 250 to 253)

HERNANDEZ vs. SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

December 19, 2006

JOSE DE JESUS HERNANDEZ, VOL. II

<p style="text-align: right;">Page 254</p> <p>1 A. Yes.      2 Q. Is that your signature?      3 A. Yes.      4 Q. Does this document refresh your recollection of      5 a conflict-of-interest training in February 2005?      6 A. It -- If it's -- If it's here and I signed for      7 it, then I -- yes.      8 Q. And on the next --      9 MS. CHINN: I'll object. It's vague and ambiguous      10 as to "conflict-of-interest training."      11 MS. MCDONOUGH:      12 Q. On the fourth page --      13 We're still on that --      14 A. Oh --      15 Q. -- document.      16 A. -- I'm sorry.      17 Q. You can just leave it out.      18 On the fourth page, which is marked SDRAA 879,      19 there's a memorandum dated February 3rd, 2005.      20 Did you receive this memorandum?      21 A. I don't recall.      22 Q. Turning to page SDRAA 886 -- and it continues      23 through 895 -- do you recall receiving this handout      24 regarding your duty to file?      25 A. I -- I don't recall.</p>	<p style="text-align: right;">Page 256</p> <p>1 Q. SDRAA 896 --      2 A. Okay.      3 Q. -- through 910.      4 A. Okay.      5 Q. This is a copy of a PowerPoint presentation. I      6 want you to look at it and tell me if you recall seeing      7 this presentation or receiving a copy of the handout.      8 A. I don't -- I don't recall. I don't recall.      9 This was over two years ago.      10 Q. How do you know it was over two years ago?      11 A. The date was 200 -- 2 -- February 4th, 2005.      12 Q. Oh, you're just referring to the date of the --      13 A. That's right.      14 Q. -- conflict-of-interest --      15 A. So I --      16 Q. -- training?      17 A. -- don't remember.      18 Q. Please wait till I finish my question.      19 Then look --      20 MS. CHINN: Were you finished with your answer?      21 THE WITNESS: Yeah. I don't recall.      22 MS. MCDONOUGH:      23 Q. Look at SDRAA 911 through the end. It's      24 entitled "Form 700, Statement of Economic Interests."      25 Have you ever received this publication?</p>
<p style="text-align: right;">Page 255</p> <p>1 Q. Have you ever seen this document before?      2 A. Yes, I have.      3 Q. When did you first --      4 A. This --      5 Q. -- see it?      6 A. -- particular document here?      7 Q. Yes.      8 A. Yeah, I've seen -- I've seen this one before.      9 Q. Okay.      10 When was the first time you received this?      11 A. We had -- I believe back when I was with the      12 Port District, but I -- but specifically I don't recall.      13 Q. So dating back to 2001 or 2002?      14 A. Yeah. But there was -- there was a certain      15 period of time that we were -- we were not required to      16 file these documents.      17 Q. When were you first required to file a      18 conflict-of-interest form?      19 A. I don't -- I don't recall specifically.      20 Q. Then --      21 We're not done with that document yet.      22 A. Okay.      23 No, no. I'm just putting it to the side.      24 Q. I still want you to look at it.      25 A. Okay. Which page?</p>	<p style="text-align: right;">Page 257</p> <p>1 A. I believe I have. Yes, I have.      2 Q. When did you first receive it?      3 A. I don't recall specifically when I received it      4 first.      5 Q. When you became director at the Authority, you      6 were required to start filling out these Form 700s;      7 correct?      8 A. I -- I -- I don't recall if I --      9 Q. Do you have any recollection of ever filling      10 out a Form 700?      11 A. I believe I filled it out on several occasions,      12 yes, ma'am, specifically when -- when my employment with      13 the Airport Authority was terminated.      14 Q. And you filled these forms out right at the      15 beginning of the year; is that correct?      16 A. I don't -- I don't exactly remember when --      17 when they were due.      18 Q. What were you required to put on the form?      19 MS. CHINN: Objection.      20 THE WITNESS: I don't -- I don't recall.      21 MS. CHINN: It calls for speculation, lack of      22 foundation.      23 MS. MCDONOUGH:      24 Q. Did anyone ever tell you what you were required      25 to put on Form 700?</p>

8 (Pages 254 to 257)

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<p>1 A. I don't -- I don't -- I don't remember what -- 2 what someone may have told me or not told me. 3 Q. Do you have any understanding of what you were 4 required to report on Form 700? 5 A. I don't -- I'm going to say I -- I don't 6 remember at this time. 7 Q. Did you ever have an understanding of what you 8 were required to report on Form 700? 9 A. My understanding was at -- at -- that I was 10 required to fill that and submit it at certain times. 11 But we would get a memo saying, "This is when you're" -- 12 "The forms are" -- "are to be submitted on these days." 13 Q. And a memo like the one we looked at dated 14 February 3rd, 2005? 15 A. I'm not sure if that's the -- the same one, but 16 we would get a memo, yes, ma'am. 17 Q. Something like that, at least? 18 A. Something like that. 19 Q. And it would tell you that you need to fill out 20 this form? 21 A. That's correct. 22 Q. And was there somebody you could go to at the 23 Authority if you needed help filling out the form? 24 A. I don't recall. 25 Q. Was there anyone that you ever went to at the</p>	<p>Page 258</p> <p>1 just to make some public disclosures of -- of gifts or 2 things I may have received. 3 Q. What did you believe that you needed to 4 disclose? 5 A. You know, at this time specifically I don't 6 remember. I'd have to go back and read -- read the 7 documentation. 8 Q. Okay. Go ahead and read it. 9 MS. CHINN: What documentation are we referring to? 10 Some other document in this case, Jose? What are you 11 looking at? 12 MS. MCDONOUGH: Let the -- 13 THE WITNESS: No. I'm just looking at -- 14 MS. MCDONOUGH: -- record reflect -- 15 THE WITNESS: -- the memo. 16 MS. MCDONOUGH: -- he's looking at Exhibit 11, page 17 SDRAA 879. 18 THE WITNESS: Okay. 19 MS. MCDONOUGH: 20 Q. Have you had an opportunity to look at 21 Exhibit 11 to refresh your recollection? 22 A. Correct. 23 In looking at SDRAA 903, I believe it shows two -- 24 two areas of what should be reported. 25 Q. Are those the only two areas that you believe</p>
<p>1 Authority to ask questions about the form? 2 A. I don't recall if I did. 3 Q. All right. 4 We'll mark as Exhibit 12 a California Form 700 5 dated February 4th, 2005. [EXH-12] 6 A. Okay. 7 Q. And it says "received" on February 9th, 2005 on 8 the top. 9 Have you ever seen this document before? 10 A. I see my signature on it, so, yes. 11 Q. Did you fill out this form? 12 A. I believe I did. 13 Q. Did you fill it out in approximately 14 February 2005? 15 A. It shows -- shows a date February 4th, 2005 and 16 my signature. 17 Q. So you believe you filled it out sometime in 18 that time frame? 19 A. That's correct. I believe I did. 20 Q. What is your understanding of what this form 21 means? 22 MS. CHINN: Objection. It's vague and ambiguous. 23 MS. MCDONOUGH: 24 Q. Do you know why you had to fill out this form? 25 A. I believe we were -- I believe the document was</p>	<p>Page 259</p> <p>1 you needed to report? 2 A. That's the ones I see as needed to be reported 3 and being from this -- from this PowerPoint 4 presentation. 5 Q. From the PowerPoint. And that's it? 6 A. That's what it says what should be reported, 7 and that's the only page that's on here. 8 Q. What do you believe that SDRAA 905 is telling 9 you? 10 A. It's telling me "Report investments" -- 11 Q. 905? 12 A. Oh, 905? 13 MS. CHINN: Don't read it from the document. 14 MS. MCDONOUGH: 15 Q. I'm just asking for your understanding of it. 16 A. Okay. 17 It just says "Category 1. All investments, 18 business position, interests in real" -- 19 MS. CHINN: Don't -- 20 THE WITNESS: -- "property" -- 21 MS. CHINN: -- read it from the document. 22 THE WITNESS: Question. 23 MS. CHINN: The question was: What was your 24 understanding? 25 THE WITNESS: It was just my understanding if I</p>

9 (Pages 258 to 261)

<p>1 had -- you know, if there was any just possibilities  2 of -- of conflicts of interest, I should disclose them.  3 MS. MCDONOUGH: Okay.  4 Q. And these are -- 905 through 908 list the  5 various categories of things that need to be disclosed?  6 MS. CHINN: Don't read from the document.  7 The document speaks for itself.  8 THE WITNESS: Okay.  9 Yeah. In looking at the document now, I believe  10 that's what it says, "Disclosure Categories."  11 MS. MCDONOUGH:  12 Q. So those categories that are listed, 905  13 through 908, are the categories of income or investments  14 that you need to disclose?  15 MS. CHINN: Objection. The document speaks for  16 itself.  17 She can ask you what your understanding is but not  18 to read the document into the record.  19 THE WITNESS: Okay.  20 It was my understanding that any areas of economic  21 interest maybe of those categories, that I would have to  22 disclose them in there, in the --  23 MS. MCDONOUGH:  24 Q. So --  25 A. -- documentation.</p>	<p>Page 262</p> <p>1 MS. CHINN: The form speaks for itself.  2 THE WITNESS: You have the forms there, and you  3 have the forms there (Indicating).  4 MS. MCDONOUGH:  5 Q. How did you know what to put on the forms?  6 A. They were just an educated guess.  7 Q. And what was your guess as to what should be on  8 the forms?  9 MS. CHINN: Objection.  10 THE WITNESS: Just --  11 MS. CHINN: This is argumentative.  12 MS. MCDONOUGH: I'm just trying to understand --  13 MS. CHINN: No, you're not.  14 MS. MCDONOUGH: -- how he'd know --  15 MS. CHINN: No. I don't --  16 Q. What was -- Why do you --  17 MS. CHINN: Let's leave.  18 Off the record.  19 Every time you do that to him, we will be leaving.  20 Come on. I want to talk to you.  21 MS. MCDONOUGH: Okay.  22 MS. CHINN: Every time you're rude, we will leave.  23 Every time you do this or you smirk or you roll your  24 eyes at him -- We're not going to do that today.  25 THE VIDEOGRAPHER: Off the record at 10:52.</p>
<p>1 Q. -- you would have to disclose any income or  2 gifts that you received from anyone doing business with  3 the Authority?  4 MS. CHINN: Objection as to "any."  5 THE WITNESS: I -- I'm not sure.  6 MS. MCDONOUGH:  7 Q. What did you think you had to report?  8 A. I'm -- I'm not sure what I had to report  9 exactly.  10 Q. Did you think it was your duty to at least find  11 out what you had to report?  12 A. Um, I'm not sure..  13 Q. You have no understanding right now as we sit  14 here today on what you had to report?  15 A. I have a vague understanding.  16 Q. What is your vague understanding?  17 A. A vague understanding of, you know, disclosure  18 of economic interest, in looking at it, of which I know  19 that I have filled out a couple of documentations and  20 submitted them.  21 Q. How did you know what to put on the forms that  22 you --  23 MS. CHINN: Objection.  24 MS. MCDONOUGH:  25 Q. -- submitted?</p>	<p>Page 263</p> <p>1 (A recess is taken.)</p> <p>2 THE VIDEOGRAPHER: Back on the record at 10:55.</p> <p>3 MS. MCDONOUGH:  4 Q. What is your understanding of what items needed  5 to be disclosed on Exhibit 12?  6 A. Okay. Um, the -- To the best of my ability,  7 any items that I may have received had to be disclosed.  8 I filled out the document to the best of my  9 ability. And if I needed to go back and amend it, I  10 would amend it at a future time.  11 Q. Any items that you had received from whom?  12 A. I believe from individuals doing business with  13 the Airport Authority.  14 Q. And was the reporting period for the year  15 leading up to -- Strike that.  16 For Exhibit 12, was the reporting period 2004?  17 A. I'm not sure. I just remember receiving a  18 document and having to fill it out and -- and submitting  19 it back to Tony Russell.  20 Q. Did you ever fill out another Form 700?  21 A. I believe I had submitted another Form 700  22 as -- as a requirement once I left employment from the  23 Airport Authority, correct.  24 THE REPORTER: Once you left the what?  25 THE WITNESS: Employment at the Airport Authority.</p>

10 (Pages 262 to 265)

<p>1 MS. MCDONOUGH: We'll mark as Exhibit 13 a document  2 dated February 12th, 2006. [EXH-13].</p> <p>3 MS. CHINN: Two pages?</p> <p>4 MS. MCDONOUGH: Yes.</p> <p>5 Q. Have you ever seen this document before?  6 A. Yes, ma'am.</p> <p>7 Q. And do these two pages go together?  8 A. I believe they do.</p> <p>9 Q. Did you fill out this form on or about  10 February 12th, 2006?  11 A. Yes. The -- The signature shows that I did.</p> <p>12 Q. Is that your signature on the bottom?  13 A. That's correct.</p> <p>14 Q. Did anyone assist you, other than your  15 attorney, in filling out this form?  16 MS. CHINN: Objection. It assumes facts not in  17 evidence.</p> <p>18 THE WITNESS: I believe in consultation with my  19 attorney, we filled out the documentation.</p> <p>20 MS. MCDONOUGH:  21 Q. Did you consult any publications or other  22 documents to assist you in preparing this Form 700?  23 A. I don't recall.</p> <p>24 Q. Do you recall consulting any documents or other  25 publications in filling out Exhibit 12?</p>	<p>Page 266</p> <p>1 Q. Did you think that you needed to disclose these  2 tickets that you received from Ace Parking?  3 A. I don't believe so because the Airport  4 Authority does not have a direct service agreement with  5 Ace Parking.</p> <p>6 Q. So you only filled out this Schedule D because  7 Ted Sexton told you you should?  8 A. He was -- It was not only strongly recommended,  9 but it was -- yeah, he was -- he was pretty poignant in  10 what he said on that. I should submit it; I should put  11 it down; and there would be people looking at it to  12 ensure that I submitted and put this information on this  13 documentation.</p> <p>14 Q. But this is true that you received these  15 football tickets from Ace Parking in December 2004;  16 correct?  17 A. I -- What I did was I put -- I put information  18 on here that -- whether right, wrong or indifferent,  19 that it was -- I was told to put it on here; otherwise  20 there would be ramifications if I didn't.</p> <p>21 Q. Did Ted Sexton tell you what the ramifications  22 would be if you didn't put it on there?  23 A. I didn't need to ask him, not in the context of  24 how he -- how he gave me that information or how he --  25 he said I should do it.</p>
<p>1 A. I don't recall.  2 Q. If you look on what we've just marked as  3 Exhibit 13, the box "Schedule D" is checked.  4 A. Schedule B or Schedule D?  5 Q. Schedule D as in "dog."  6 A. Okay.  7 Q. Is that correct?  8 A. That's correct.  9 Q. And then on the second page is a Schedule D?  10 A. That's correct.  11 Q. And you're disclosing here that in  12 December 2004, you received Charger football tickets  13 from Ace Parking with a value of \$600; is that correct?  14 A. That's correct. At the -- I submitted this  15 information because there was, um -- During my exit  16 interview with Ted Sexton, he strongly recommended that  17 when I filled out this information, that I should put  18 that information on there.  19 Q. Do you know why he recommended that?  20 A. You know, because, as he said, there would be  21 people looking at that documentation -- documentation are  22 sure that that was on there. Whether I -- I thought it  23 was right or not, people would be looking to make sure  24 that I filled this documentation and submitted it in a  25 timely manner.</p>	<p>Page 267</p> <p>1 So, you know, once again, If it -- if it's -- if  2 it's inappropriate or it's something that needs to be  3 amended, I'll just amend it at a different time.  4 Q. What was --  5 A. I --  6 Q. -- your understanding of what --  7 MS. CHINN: Hey.  8 MS. MCDONOUGH:  9 Q. -- the --  10 MS. CHINN: Don't cut him off.  11 What was the end of the answer?  12 THE WITNESS: The end of -- The end?  13 MS. MCDONOUGH: Would you like Suzanne to read the  14 answer back?  15 THE WITNESS: Please.  16 (The answer is read by the reporter.)  17 MS. MCDONOUGH: Thank you.  18 Q. Is there anything else that you need to add to  19 that response?  20 A. Not at this time.  21 Q. What was your understanding of what the  22 ramifications would be if you didn't put the Ace Parking  23 items on the Schedule D?  24 A. I never asked. In the context of how  25 Ted Sexton made that statement, it was -- It was pretty</p>

<p>1 clear to perceive what would happen.  2 Q. And what would happen?  3 A. That there would be -- That -- That there would  4 be legal ramifications whether I did it or not, whether  5 I believed it was right or wrong. It was more of  6 intimidating threat that I should fill it out and I  7 should put that information on there.  8 Q. Did you have an understanding of what the legal  9 ramifications would be if you didn't put the information  10 on the form?  11 A. I believe it had more to do with not only legal  12 ramifications but also as a -- as an intimidation tactic  13 that I had to put that information on there.  14 Q. And you believe that Ted Sexton was the one  15 trying to intimidate you?  16 A. I believe that -- that he was passing on  17 information that he believed -- I believe he was  18 speaking on behalf of the Airport Authority, not him as  19 an individual.  20 Q. Is there anyone specifically that you believe  21 he was speaking on behalf of?  22 A. No. He said there would be people looking --  23 looking to ensure that I submitted this information.  24 Q. Did you understand who he was referring to when  25 he said there would be people?</p>	<p>Page 270</p> <p>1 2005 -- that Ace Parking was working with Maurice Gray  2 and trying to figure out if they could take over the  3 parking contract and have Maurice Gray step down from  4 LPI.  5 A. Not Ace Parking but Scott Jones as an  6 individual buying the shares for Maurice Gray. There's  7 a clear distinction that it's -- this contract is not  8 with Ace Parking; it is with Scott Jones as a  9 individual.  10 Q. And did you know, in December of 2004, that  11 Scott Jones and Maurice Gray were talking about  12 Scott Jones taking over the contract with the Authority?  13 MS. CHINN: Objection.  14 THE WITNESS: I'm not --  15 MS. CHINN: Answer it if you can.  16 THE WITNESS: -- sure what their conversations may  17 have been.  18 I apologize.  19 Not sure what their conversations may have been. I  20 do recall a letter being sent to -- directly to the  21 counselor.  22 MS. CHINN: There's no question pending. You said  23 you don't recall.  24 THE WITNESS: Okay.  25 MS. MCDONOUGH:</p>
<p>1 A. People -- People, I'm sure in -- in the VP  2 level, vice president.  3 THE REPORTER: Got that.  4 MS. MCDONOUGH:  5 Q. And the vice president level would be  6 Bryan Enarson or Vernon Evans?  7 A. He -- Once again, he just said -- We did not go  8 into details; he didn't share specific names with me.  9 But he said there would be people within the  10 organization making sure that I submitted this  11 documentation.  12 Q. So you don't know who he was referring to?  13 A. No. But he was rather quite poignant on -- on  14 ensuring that he had made that statement.  15 Q. Did you know, in December 2004, that  16 Maurice Gray was trying to have Ace Parking come in and  17 take over the LPI contract?  18 MS. CHINN: Objection. It lacks a foundation. It  19 calls for speculation. It's vague and ambiguous. It's  20 overbroad.  21 THE WITNESS: Could you be more specific, tell  22 me -- tell me what your question is?  23 MS. MCDONOUGH:  24 Q. You testified yesterday that at some point in  25 time -- and I believe you said in late 2004, early</p>	<p>Page 271</p> <p>1 Q. Did you know, in December of 2004, that there  2 were talks about Scott Jones taking over the contract?  3 A. I don't recall.  4 Q. When did you first become aware of that?  5 A. I don't -- I don't remember specifically what  6 days -- what days those were.  7 Q. Is there anything that would refresh your  8 recollection?  9 A. No.  10 Q. How about the letter that you just referred to?  11 A. It was pretty close to whenever that letter was  12 submitted.  13 MS. MCDONOUGH: We'll take a quick break.  14 THE VIDEOGRAPHER: Off the record at 11:05.  15 (A recess is taken.)  16 THE VIDEOGRAPHER: Back on the record at 11:14.  17 MS. MCDONOUGH:  18 Q. Is there any reason why you cannot continue to  19 give your best testimony?  20 A. No.  21 Q. Looking at Exhibit 13, what period of time did  22 you believe that this form covered?  23 A. I believe this period of time covered through  24 the end of my employment with the Airport Authority.  25 Q. If you look under Box 3 where it says "Type of</p>

12 (Pages 270 to 273)

<p>1 Statement" on the first page -- and it says right under  2 where you've dated February 7th, 2006 --  3 A. Uh-huh.  4 Q. -- it says, "The period covered is January 1st,  5 2005, through the date of leaving office."  6 Is that the period that you believe you were  7 covering with this form?  8 A. I -- I filled it out just leaving office.  9 That's why I never checked any other one. It was just  10 the assumption that I would be leaving office on that  11 day, tried to cover whatever I could before that.  12 Q. And did you know that you were supposed to  13 report this Ace Parking item on the prior year's form?  14 A. I didn't believe I had to report it.  15 Q. But generally everything is reported right  16 after the year concludes; correct?  17 A. Once again, I'd have to refer to the memo. The  18 memo would say it would cover this period to this  19 period.  20 Q. You can look at the memo if you'd like.  21 A. Yeah.  22 I -- I -- When I received this, I received this  23 during my exit, and there was no memo attached to this  24 particular one.  25 Q. Okay.</p>	<p>Page 274</p> <p>1 the other publications that are contained in Exhibit 11.  2 MS. CHINN: I'm going to make a continuing  3 objection to this line of questioning on the basis that  4 it calls for a legal conclusion. The instructions on  5 this are statutory regulations, and he's not expected to  6 know them by heart.  7 THE WITNESS: Okay.  8 MS. MCDONOUGH:  9 Q. Do you have any understanding of the time  10 period that's covered by the form?  11 A. There's -- There is -- The only thing I can  12 read is on that -- the second box down, it says "the  13 period covering" --  14 MS. CHINN: Don't read from the document.  15 THE WITNESS: It -- It --  16 MS. CHINN: The document --  17 THE WITNESS: -- should cover --  18 MS. CHINN: -- speaks --  19 THE WITNESS: -- a year.  20 MS. CHINN: Objection. The document speaks for  21 itself.  22 MS. MCDONOUGH:  23 Q. Go ahead.  24 A. Looking at the memo, it does not refer to a  25 specific period that it covers --</p>
<p>1 But I'm asking about your understanding in general  2 of Form 700s and what period they cover.  3 A. Should cover some sort of year period.  4 Q. A one-year period?  5 A. Uh-huh.  6 Q. "Yes"? 7 A. Yes.  8 Q. And the preceding year?  9 So if you fill it out in the beginning of, for  10 instance, 2005, then you're looking back at 2004 and the  11 income or gifts that you received in that time period?  12 A. I would guess so.  13 Q. Is that a "yes"? 14 A. I would guess so.  15 Q. Do you have any understanding of that?  16 A. Once again, I would guess -- I would guess that  17 would be the case.  18 Q. Is there anything that would refresh your  19 recollection as to whether it is the case?  20 A. No.  21 Q. Even if you looked at the memo?  22 A. Yeah. I just -- The -- The -- I would guess  23 that it would cover the year period leading to that.  24 Q. Please look at the memo that's in Exhibit 11  25 and see if that refreshes your recollection, or any of</p>	<p>Page 275</p> <p>1 Q. Okay.  2 A. -- In there. So it -- the assumption is just  3 that it covers through the date that I left office.  4 MS. MCDONOUGH: I'm going to mark as Exhibit 14 a  5 Statement of Economic Interests dated April 21st,  6 2006. [EXH-14]  7 MS. CHINN: This is 14?  8 MS. MCDONOUGH: Yes.  9 MS. CHINN: Two pages?  10 MS. MCDONOUGH: Yes.  11 Q. Do these two pages go together?  12 A. Yes, they do.  13 Q. Did you fill out this form on or about  14 April 21st, 2006?  15 A. Yes.  16 Q. Did you send this document anywhere?  17 A. I believe it was submitted to -- to the  18 appropriate agency, back -- back to the Airport  19 Authority.  20 Q. Why did you fill out this form?  21 A. Once again, at the advice of my attorney, she  22 recommended, after we had that conversation regarding my  23 conversation with Ted Sexton --  24 MS. CHINN: Wait a minute. Do not -- Do not  25 disclose the content or substance of any conversation</p>

13 (Pages 274 to 277)

<p>1 with your attorney.  2 THE WITNESS: Okay.  3 MS. CHINN: Just answer her questions without  4 reference --  5 THE WITNESS: Okay.  6 MS. CHINN: -- to that.  7 MS. MCDONOUGH:  8 Q. Why did you wait until April 21st, 2006?  9 A. We -- I waited for this period because I wanted  10 to make sure that anything that I thought that may or  11 may not be covered was in there, and if I had to go back  12 and amend it at a different time because I did not  13 believe it -- it should have been covered in there,  14 that -- that it was -- that it was covered.  15 A lot of this -- My reason for submitting it again  16 were, once again, threats or intimidations from not only  17 Ted but the investigators who came out and talked to me.  18 Q. Did you ever speak to Ted about the Form 700  19 after your exit interview?  20 A. Not -- Not after the exit -- I -- I have yet to  21 speak to him once since I've left.  22 Q. So the last time that you spoke to Ted was  23 during your exit interview?  24 A. As we both walked out to my car and I was  25 leaving.</p>	Page 278	<p>1 On the second page you've listed two items. The  2 first is "Hawaiian Airlines airline tickets, space  3 available passes, standby use only"; Is that correct?  4 A. That's correct.  5 Q. And are those the four tickets that your family  6 received from Janet Nix that you testified about  7 yesterday?  8 A. That's correct.  9 Q. And you received those in May of 2004?  10 A. That's correct.  11 Q. And at the time you received those, you  12 understood that Hawaiian Airlines was doing business  13 with the Authority; correct?  14 A. That's correct.  15 Q. Why didn't you report this Hawaiian Airlines  16 standby tickets on the prior year's Form 700?  17 A. It was my understanding that I was not required  18 to do so because they had no value to it, zero value.  19 And that's how it's submitted on each one of these  20 items, as zero value.  21 Q. Where did you obtain the understanding that you  22 did not have to report the standby tickets?  23 A. It's my understanding that space -- space  24 available tickets have -- carry no value whatsoever to  25 them, so there's -- there -- there would be no reason on</p>	Page 280
<p>1 Q. And you just testified that you filled out this  2 form in April of 2006 because of the threats or  3 intimidations that you felt from Ted Sexton? Is that  4 correct?  5 A. Still from there, residual --  6 Q. So it's --  7 A. -- from there.  8 Q. -- from the February conversation that you had  9 with him?  10 A. Residual from there and then going through  11 and -- and, you know, looking back at the context of  12 some of the -- the questions and comments from the  13 Investigators.  14 Q. What did you look at when you said you were  15 looking back at the comments from the investigators?  16 A. In looking -- In looking back at what was said  17 during those times, I thought it was just in my best  18 interest or -- in my best interest that I submit it.  19 And if it -- If it happens I didn't have to submit it or  20 to disclose it, I would just submit it at a different  21 time.  22 Q. And that's your signature on the bottom of the  23 first page --  24 A. That's correct.  25 Q. -- of Exhibit 14?</p>	Page 279	<p>1 my part to disclose things that -- that are really --  2 carry no value to them.  3 Q. Did anyone ever tell you that you did not have  4 to report standby or non-revenue tickets?  5 A. I don't -- I don't recall.  6 Q. And then you listed "Southwest Airlines, 2004,  7 airline tickets, buddy passes, standby use only."  8 Are those the tickets that we've already discussed  9 from Mike Parrish?  10 A. For -- Yes, for my children.  11 Q. And it says "CY 2004"? 12 A. It's somewhere in between calendar year 2004,  13 somewhere.  14 Q. So "CY" means "calendar year"? 15 A. Yes, ma'am.  16 Q. And is there a reason why you didn't report the  17 Southwest Airlines on the prior form?  18 A. Once again, they carry no value whatsoever.  19 Q. But you did use these tickets that are listed  20 here to fly somewhere, or your family did; correct?  21 A. My children went -- flew back to -- to spend a  22 couple days with Mike Parrish's kids, correct.  23 Q. And they didn't pay anything for the flight?  24 A. I believe, if they -- If they used the buddy  25 passes, they would -- they would have no value, and they</p>	Page 281

14 (Pages 278 to 281)

<p style="text-align: right;">Page 282</p> <p>1 would not have paid.</p> <p>2 Q. And the same thing for Hawaiian Airlines that</p> <p>3 your family used the four tickets to fly to Hawaii and</p> <p>4 back; correct?</p> <p>5 A. Yes.</p> <p>6 Q. And you didn't pay for the flight at all; correct?</p> <p>7 A. No.</p> <p>8 Q. And you understood at the time that your</p> <p>9 children used the Southwest buddy passes that Southwest</p> <p>10 Airlines was doing business with the Authority; correct?</p> <p>11 A. That's correct.</p> <p>12 Q. We'll mark as Exhibit 15 another Schedule D</p> <p>13 that was by itself in the documents that you produced,</p> <p>14 so I'm not sure if you submitted this or not. [EXH-15]</p> <p>15 Have you ever seen this document before?</p> <p>16 MS. CHINN: There has got to be a second page to</p> <p>17 this because this is not signed.</p> <p>18 Do you have the second page?</p> <p>19 MS. MCDONOUGH: This is all I received.</p> <p>20 MS. CHINN: Did we give you this?</p> <p>21 MS. MCDONOUGH: Yes.</p> <p>22 We can go off the record briefly and talk about it.</p> <p>23 THE VIDEOGRAPHER: Off the record at 11:24.</p> <p>24 (A discussion is held off the record.)</p>	<p style="text-align: right;">Page 284</p> <p>1 Q. In the upper left-hand corner, it says "Ace</p> <p>2 Parking, San Diego, Parkins Management," and has "Padre</p> <p>3 ticket," "golf" and "lunch" listed.</p> <p>4 A. That's correct.</p> <p>5 Q. Are these all items that you received from</p> <p>6 Ace Parking?</p> <p>7 A. These -- This list and this compilation once</p> <p>8 again was a follow-up, is my recollection, to everything</p> <p>9 that Ted had requested that I put in there because</p> <p>10 people would be looking for this there. So where</p> <p>11 there -- Yeah. I just thought at that particular time</p> <p>12 when I filled it out, it's just -- I'll just put it all</p> <p>13 out there, and if I need to amend it, I'll do it later.</p> <p>14 I still stand by that to this day that, you know, most</p> <p>15 of these should not have been disclosed.</p> <p>16 Q. So does that refresh your recollection that</p> <p>17 this form was filled out after your exit interview?</p> <p>18 A. Yes, ma'am.</p> <p>19 Q. So sometime after February 2006?</p> <p>20 A. Yes, ma'am.</p> <p>21 Q. February 7, 2006?</p> <p>22 MS. CHINN: Would you read back the answer about</p> <p>23 the list, please.</p> <p>24 (The answer is read by the reporter.)</p> <p>25 MS. CHINN: Thank you.</p>
<p style="text-align: right;">Page 283</p> <p>1 THE VIDEOGRAPHER: Back on the record at 11:25.</p> <p>2 MS. MCDONOUGH:</p> <p>3 Q. As I previously indicated, I received --</p> <p>4 MS. MCDONOUGH:</p> <p>5 Q. -- this document --</p> <p>6 Bless you.</p> <p>7 MS. GONZALEZ: Thank you.</p> <p>8 MS. MCDONOUGH:</p> <p>9 Q. -- as a stand-alone document in documents</p> <p>10 produced by your counsel, so I'll ask you some questions</p> <p>11 about it. Okay?</p> <p>12 A. Okay.</p> <p>13 Q. Have you ever seen what we have just marked as</p> <p>14 Exhibit 15?</p> <p>15 A. Yes. It's in my writing.</p> <p>16 Q. Did you fill out this form?</p> <p>17 A. Yes, I did.</p> <p>18 Q. Do you know when you filled it out?</p> <p>19 A. I don't recall exactly when I filled it out.</p> <p>20 Q. Do you know if you ever submitted this form to</p> <p>21 the Authority or to the Fair Practices Commission?</p> <p>22 A. I -- I believe if I filled it out, it was</p> <p>23 submitted, correct.</p> <p>24 Q. When do you believe you submitted it?</p> <p>25 A. Don't recall.</p>	<p style="text-align: right;">Page 285</p> <p>1 MS. MCDONOUGH:</p> <p>2 Q. Under "Ace Parking," it says \$275 for Padre</p> <p>3 tickets.</p> <p>4 Is there a reason that you didn't put the date for</p> <p>5 those Padre tickets?</p> <p>6 A. Because I don't remember the dates. I try to</p> <p>7 fill this out to the best of my recollection.</p> <p>8 Q. As we sit here today, do you recall the date of</p> <p>9 the Padre game?</p> <p>10 A. I do not.</p> <p>11 Q. And golf for \$45, do you remember where you</p> <p>12 golfed?</p> <p>13 A. I don't recall. I don't recall. I know</p> <p>14 that -- that if I remember the days then, I'm not going</p> <p>15 to remember them now, a year later.</p> <p>16 Q. So do you remember where you golfed?</p> <p>17 A. No, I don't.</p> <p>18 Q. Do you remember who you golfed with?</p> <p>19 A. No, I don't.</p> <p>20 Q. How did you know to put down golf and \$45 on</p> <p>21 this form?</p> <p>22 A. At that particular time, we had gone through --</p> <p>23 I had gone through and -- and just included everything</p> <p>24 that I can recall that was presented to me, or</p> <p>25 accusations or allegations from -- from the</p>

15 (Pages 282 to 285)

<p>1 investigator. So whether I thought it was right, wrong,  2 or indifferent, once again, as I was told by -- by Ted,  3 "You better just put it all down because people are  4 going to be looking for it."</p> <p>5 Q. So your testimony is that if the investigator  6 asked you about something, then you put it down on this  7 form?</p> <p>8 A. I just put it down because I thought it was  9 easier to do that. And then I would go back, amend it  10 as I felt the right way to do it. But because of the  11 comments --</p> <p>12 MS. CHINN: Are we off?</p> <p>13 MS. MCDONOUGH: No. He's just turning the tape.</p> <p>14 MS. CHINN: Okay.</p> <p>15 THE WITNESS: But because of the comments that I  16 received from Ted, I just thought it would be more  17 appropriate at that particular time just to submit it,  18 put it all down, and then just go back and amend it  19 later once -- once, you know, I had better time to think  20 about whether that was a proper disclosure or not.</p> <p>21 MS. MCDONOUGH:</p> <p>22 Q. Do you remember Ace Parking ever paying for  23 your lunch?</p> <p>24 A. If I wrote it down, I'm sure it's probably  25 there. But I don't -- I don't recall specifically when</p>	<p>Page 286</p> <p>1 properly answer your previous question with regard to  2 the lunch?</p> <p>3 Q. Sure.</p> <p>4 A. I believe that that was three separate lunches  5 accumulating to -- to \$30, if I -- if I remember  6 correctly.</p> <p>7 Q. Do you remember the dates of those lunches?</p> <p>8 A. No, I don't.</p> <p>9 Q. And you don't remember who they were with?</p> <p>10 A. No. If -- If I put them down, I put them down,  11 but I -- I don't recall exactly.</p> <p>12 Q. The next item is "Image Concepts." It has a  13 value of \$150 for uniform samples?</p> <p>14 A. That's correct.</p> <p>15 Q. How did you arrive at that value?</p> <p>16 A. Just a -- a -- a fair guesstimate of the value.</p> <p>17 Q. And those were the samples that we discussed  18 yesterday, including your wife's soccer jerseys?</p> <p>19 A. No. They were just other samples.</p> <p>20 Once again, my wife's soccer jerseys were paid for  21 by -- by my wife to Kelly, so those aren't -- those  22 aren't included in those.</p> <p>23 A. She paid for those by giving her Mary Kay  24 samples?</p> <p>25 A. That's correct.</p>
<p>1 and where.</p> <p>2 Q. Did you ever go to lunch with Dave Mullear?</p> <p>3 A. Yes.</p> <p>4 Q. Did he pay for your lunch?</p> <p>5 A. I don't recall.</p> <p>6 Q. Is there anyone else from Ace Parking that you  7 went to lunch with --</p> <p>8 A. I don't recall.</p> <p>9 Q. -- while you were employed at the Authority?</p> <p>10 A. I don't recall.</p> <p>11 Q. And when it says "3" next to "Lunch," that  12 means three different lunches that they paid for?</p> <p>13 A. Yes.</p> <p>14 Q. The next --</p> <p>15 MS. CHINN: Wait. Can we stop? Not on the record,  16 off the record. Just continue. I want to ask my client  17 one thing quickly.</p> <p>18 THE REPORTER: You're mixed up.</p> <p>19 (A discussion is held off the record.)</p> <p>20 MS. MCDONOUGH:</p> <p>21 Q. The next item, going to the right, is "Image  22 Concepts." And that's a company that you testified is  23 owned by Kelly Pond? Is that correct?</p> <p>24 A. That's correct.</p> <p>25 Could -- Could -- Could we go back so I can</p>	<p>Page 287</p> <p>1 No, not Mary Kay samples, actual Mary Kay  2 cosmetics.</p> <p>3 Q. Do you know the value of the Mary Kay cosmetics  4 that your wife gave to Kelly?</p> <p>5 A. No, I don't.</p> <p>6 Q. Is there any way to ascertain the value of  7 those cosmetics?</p> <p>8 A. I don't think she even has the information  9 anymore. I know there was maybe eight -- eight, nine  10 shirts at 3 or 4 bucks each, so it couldn't have been  11 more than 30, \$40.</p> <p>12 THE REPORTER: Can you repeat your answer?</p> <p>13 THE WITNESS: Okay.</p> <p>14 It couldn't -- And the value of those shirts  15 couldn't have been more than 30 or \$40.</p> <p>16 MS. CHINN: Pay attention --</p> <p>17 MS. MCDONOUGH: He said at 3 to 4 bucks each, it  18 couldn't have been any more than --</p> <p>19 MS. CHINN: Look at her.</p> <p>20 MS. MCDONOUGH: -- 30 to \$40.</p> <p>21 Q. So the uniform samples listed on Exhibit 15  22 under "Image Concepts" are the ones we discussed  23 yesterday that Kelly would bring to your office that  24 would have "Airport Authority" on them?</p> <p>25 A. That's correct.</p>

16 (Pages 286 to 289)

<p>1 Q. Do you still have any of those in your 2 possession? 3 A. Not a one. 4 Q. Go down to "Lindbergh Parking, Incorporated" on 5 Exhibit 15. Do you see that? 6 A. That's correct. 7 Q. And you have -- it looks like 12 lunches for a 8 total value of \$180 -- 9 A. That's correct. 10 Q. -- Is that correct? 11 And those are the lunches we discussed yesterday? 12 A. Those were lunches that -- that I'm just -- 13 once again just guesstimating based on perceived 14 information that the Investigators thought I had gotten. 15 So once again, it was just easier for me to put it down, 16 and if I had the information, I would go back, amend -- 17 and amend it later. 18 Q. And you testified yesterday that you did go to 19 lunch with Lindbergh Parking, and Lindbergh Parking paid 20 for your lunch; correct? 21 A. On occasion, correct. 22 Q. Would they have paid for your lunch 12 times? 23 A. I don't think that much. 24 Q. How many times do you think they paid for your 25 lunch?</p>	<p>Page 290</p> <p>1 A. I believe it would have just been somewhere in 2 the East County, maybe Eastlake. But exactly I don't 3 recall. 4 Q. The next one is "Gary Kouch"? 5 A. "Kouch." 6 Q. "Kouch." 7 From Park 'n' Fly? 8 A. Yes. 9 Q. And this is the two golf occasions that we 10 discussed yesterday? 11 A. That's correct. 12 Q. And do you know the dates of those golf 13 outings? 14 A. No, I don't. 15 Q. And the next item is "Southwest Airlines," \$120 16 for football tickets? 17 A. That's correct. These were the two tickets 18 that we talked about yesterday that were given to me by 19 Cheryl in exchange for the four tickets, the baseball 20 tickets, that I bought that she never used. She just 21 felt it was a trade-off. 22 Q. And then on the bottom, the comments say that 23 "The file containing the exact information with the 24 proper dates is no longer available"?</p> <p>25 A. That's correct.</p>
<p>1 A. I don't remember exactly how many times. 2 Q. Do you have an estimate? 3 A. No. Won't even guess. 4 Q. Okay. 5 And do you know the dates of those lunches? 6 A. No, I don't. 7 Q. The next item is "Baggage Claimers"? 8 A. That's correct. 9 Q. And you have three golf occasions for a total 10 of \$115, I believe, maybe \$105. 11 And did you golf with Baggage Claimers on three 12 different occasions? 13 A. I believe I did, yes. We would -- We actually 14 golfed more times. He would pay for some, I would pay 15 for some, so it would be just a -- just a trade-off. 16 Mark -- Mark was a friend of mine. 17 Q. Mark from Baggage Claimers? 18 A. That's correct. 19 Q. And yesterday you testified that you golfed 20 with Mark at Torrey Pines, I believe -- 21 A. That's correct. 22 Q. -- correct? 23 A. Mm-hmm. 24 Q. Where are the other two golf places listed 25 here?</p>	<p>Page 291</p> <p>1 Q. Where was that file? 2 A. It was just some notes, as I testified 3 yesterday, that I had in my office that I wasn't able to 4 find. That's why there were no exact dates. 5 Q. And do you recall now whether that file was a 6 paper file or whether it was on your computer? 7 A. I don't recall exactly. 8 Q. And the six different entities that are listed 9 on Schedule D, did you have an understanding that all 10 those entities were doing business with the Authority at 11 the time that you did these activities with them? 12 MS. CHINN: Objection. Mischaracterizes his 13 testimony. 14 THE WITNESS: No. Not -- Not everyone was here 15 that does business with the Airport Authority, direct 16 service agreements with them. That is why, once again, 17 you know, at the advice or -- at the advice of Ted, I 18 just put everything out there just so that it was 19 disclosed, whether I thought it was proper or not, just 20 to cover myself, and I would go back and amend it later. 21 MS. McDONOUGH: 22 Q. Which companies on Exhibit 15 did you believe 23 were doing business with the Authority at the time that 24 you received these gifts or items of value? 25 A. I believe only Lindbergh Parking,</p>

<p>1 Southwest Airlines and Image Concepts.</p> <p>2 Q. And Baggage Claimers, you testified, does</p> <p>3 business with the airlines; correct?</p> <p>4 A. With individual airlines. I have no control</p> <p>5 over what -- what they do.</p> <p>6 Q. Do they do business with specific airlines only</p> <p>7 or all of the airlines?</p> <p>8 A. No, specific. There's actually two baggage</p> <p>9 claim companies, and between them, they -- they service</p> <p>10 the airlines.</p> <p>11 Q. Do you know which airlines Baggage Claimers</p> <p>12 works with?</p> <p>13 A. No.</p> <p>14 Q. Do you have any recollection of who you</p> <p>15 submitted Exhibit 15 to?</p> <p>16 A. I don't recall. I believe, if I filled it out,</p> <p>17 it would have been submitted to Tony Russell's</p> <p>18 attention.</p> <p>19 Q. Even after you left employment with the</p> <p>20 Authority?</p> <p>21 A. Absolutely.</p> <p>22 Q. Do you have a recollection of filling out any</p> <p>23 other Form 700s during your employment with the</p> <p>24 Authority other than those that we've marked as</p> <p>25 Exhibits 12 through 15?</p>	Page 294	<p>1 responsibilities versus what her actual classification</p> <p>2 specifications call; and if they vary to a large degree,</p> <p>3 then we would look for the right classification</p> <p>4 specifications and match her up to that particular pay</p> <p>5 grade.</p> <p>6 Q. And the desk audit is initiated by the</p> <p>7 employee?</p> <p>8 A. That's correct.</p> <p>9 Q. Jennifer Hamilton submitted a desk audit to you</p> <p>10 in 2005?</p> <p>11 A. That's correct.</p> <p>12 Q. Did you review the desk audit?</p> <p>13 A. Yes, I did.</p> <p>14 Q. Did you make a decision about the desk audit?</p> <p>15 A. Yes. After consultation with -- with Ted</p> <p>16 Sexton, going over that documentation, our -- my</p> <p>17 decision at that time was to not go forward with -- with</p> <p>18 her request for a -- for a desk audit.</p> <p>19 Q. Why did you make the decision not to go forward</p> <p>20 with the desk audit?</p> <p>21 A. No, no, not to agree with her -- not -- Maybe</p> <p>22 if I explain it this way it might be --</p> <p>23 MS. CHINN: Wait.</p> <p>24 THE WITNESS: -- a little --</p> <p>25 MS. CHINN: There's no question pending.</p>	Page 296
<p>1 A. I don't recall.</p> <p>2 Q. How would you describe your working</p> <p>3 relationship with Jennifer Hamilton at the time you left</p> <p>4 employment with the Authority?</p> <p>5 A. I believe at that time, it was -- my working</p> <p>6 relationship with Jennifer Hamilton was a little shaky.</p> <p>7 Q. How was it shaky?</p> <p>8 A. We had -- We were going through a bit of a</p> <p>9 conflict because she -- she had requested -- I'm trying</p> <p>10 to remember the right term. She had a -- She had</p> <p>11 requested a desk audit for her position so she could be</p> <p>12 reclassified and -- and be entered into a higher pay</p> <p>13 grade.</p> <p>14 Q. And a desk audit is a request that an employee</p> <p>15 makes when they want to be put at the next level or the</p> <p>16 next classification?</p> <p>17 A. No. That's incorrect.</p> <p>18 Q. What is a desk audit?</p> <p>19 A. A desk audit is a submission initially by the</p> <p>20 employee, by the employee, summarizing their -- their</p> <p>21 actual duties, their roles and duties.</p> <p>22 Q. What is the purpose of the desk audit, from</p> <p>23 your understanding?</p> <p>24 A. That purpose then is to go through and compare</p> <p>25 what her and I believe are her roles and</p>	Page 295	<p>1 MS. MCDONOUGH:</p> <p>2 Q. I was just --</p> <p>3 MS. CHINN: Ask the question.</p> <p>4 MS. MCDONOUGH:</p> <p>5 Q. -- using your term. You said you decided not</p> <p>6 to go forward with the request for a desk audit,</p> <p>7 A. Okay. A desk --</p> <p>8 MS. CHINN: Did you misspeak?</p> <p>9 THE WITNESS: Yes.</p> <p>10 MS. CHINN: Do you want to correct it?</p> <p>11 MS. MCDONOUGH: Thank you.</p> <p>12 Q. So you decided to not go forward with what?</p> <p>13 A. With -- With the process of reclassifying her</p> <p>14 to another class, another class.</p> <p>15 Q. Why did you decide not to go forward with the</p> <p>16 process of reclassifying her?</p> <p>17 A. After reviewing -- After reviewing her</p> <p>18 submittal to me, there was some errors in -- or there</p> <p>19 were some -- there was some information in there that</p> <p>20 was not exactly correct where -- where there were</p> <p>21 several projects that her and I worked with or worked</p> <p>22 on, and she had classified herself as the initiator, the</p> <p>23 project manager, project coordinator, when in fact, in</p> <p>24 some of those particular roles, she was just acting in</p> <p>25 her capacity as my assistant. And so she was</p>	Page 297

18 (Pages 294 to 297)

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1 overstating her roles in -- in -- in some areas that I  
 2 didn't feel were -- were appropriate.  
 3 And -- And then -- That was one portion.  
 4 And the second portion is, she just didn't want  
 5 to -- she just didn't want to deal with employees.  
 6 Q. What do you mean by she didn't want to deal  
 7 with employees?  
 8 A. We had -- As part of this process, we had sat  
 9 down, and she had been given opportunity before to -- to  
 10 assist with some of the -- the project management duties  
 11 or just oversee some of the -- the permitting  
 12 responsibilities, and then just kind of samples or --  
 13 samples or trial periods where she can go in and -- and  
 14 see how she -- she was able to deal with employees and  
 15 employee issues. And it became pretty evident right off  
 16 the bat that she wasn't able to -- unable and unwilling  
 17 to -- to perform those duties.

18 Q. Did you throw away the desk audit in front of  
 19 Jennifer Hamilton?

20 A. No.

21 Q. So she didn't give it to you, and you just  
 22 threw it away in the trash right in front of her?

23 A. Absolutely not. The process is to then go  
 24 through that desk audit piece by piece by piece.

25 I took that desk audit, not that I'm required to,

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1 items, I decided not to move forward.  
 2 Q.. What do you do with the desk audit if you  
 3 decide not to move forward?  
 4 A. I believe that even -- even after I left  
 5 employment, the desk audit was still in my office.  
 6 Q. So there's no requirement that you submit it to  
 7 anyone and say -- put a notation on there that you're  
 8 not going forward with it?  
 9 A. No. I believe I might have even -- in -- in  
 10 my -- as we kept just internal documentation, not a real  
 11 HR file, but just little notes so we knew when people  
 12 were going to leave. And I believe I had submitted that  
 13 desk audit and kept it in -- in her employee file.  
 14 Q. So you had an employee file for your employees  
 15 in your office?  
 16 A. Just a department file.  
 17 Q. And you believe you left those when you left  
 18 your employment with the Authority?  
 19 A. That's correct.  
 20 Q. Did you ever talk to Jennifer Hamilton about  
 21 your decision not to go forward?  
 22 A. We did. We did. We spent a lot of time going  
 23 over item by item by item. We -- Jennifer Hamilton and  
 24 I -- I wanted the best for her, but it was clear that in  
 25 going over this documentation, she wanted something more

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1 but went and talked to Ted, gave it to him. He took a  
 2 look at that. We spent a considerable amount of time  
 3 going over that documentation as I wanted to do what I  
 4 thought was the right thing to do.

5 Q. So if Jennifer Hamilton testifies that you  
 6 threw away the desk audit in front of her, she would be  
 7 lying?

8 A. I -- I would say that at no time did I kept --  
 9 did I receive that desk audit and throw it away in front  
 10 of her.

11 Q. Did you submit the desk audit to HR for  
 12 Jennifer's file?

13 A. No. What had -- The -- That's not the  
 14 requirement. The requirement is to have -- is to have  
 15 the desk audit -- the desk audit completed initially  
 16 by -- by the employee. The immediate supervisor goes  
 17 through. And if the immediate supervisor chooses to go  
 18 forward with that desk audit, then it is submitted with  
 19 my approval or the Port Authority's approval to HR for  
 20 continuation. What HR then will do is take that  
 21 documentation and then try to match it up with -- with  
 22 the right classification.

23 After talking to not only Ted, but consulting  
 24 with -- with my -- with the department's HR analyst and  
 25 going over in detail which each -- with each of the

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1 from there that she really wasn't willing to -- to  
 2 commit to.  
 3 She wanted to get into a management position or  
 4 have more areas of responsibility. But, as she said,  
 5 she only wanted to work 8:00 to 5:00. She just --  
 6 We even came up -- or I had even come up with a --  
 7 with a plan to put her in -- lack of a better word --  
 8 some management training positions where we would come  
 9 up with a contract with the assistance of HR where we  
 10 could have her assume additional roles and duties and  
 11 responsibilities to see how it worked out and then go  
 12 back there and revisit the audit either -- either three  
 13 months down the road or six months down the road.

14 Q. Did she respond to that idea to put her in a  
 15 management training position?

16 A. No. She was -- She -- She wanted -- She wanted  
 17 me to -- to reclassify her in a certain position because  
 18 I think at that time she wanted more money.

19 Q. What was the tone of the conversation that you  
 20 had with Jennifer Hamilton about your decision not to go  
 21 forward?

22 A. Obviously it was a little heated on her part,  
 23 that she -- you know, she spent a considerable amount --  
 24 considerable -- considerable amount of time putting that  
 25 documentation together. It was pretty extensive.

19 (Pages 298 to 301)

<p>1 And as we went through it and I noted areas on  2 there, she became increasingly frustrated and mad. And  3 she made some comments during that conversation that  4 caused me to go to Ted -- caused me to go to Ted asking  5 him that -- if there was any possible way that I can get  6 her to -- to go to another department or we can do a  7 trade that had -- as had been done before for  8 administrative assistants.</p> <p>9 Q. What comments did she make that led you to talk  10 to Ted about reassigning Jennifer?</p> <p>11 A. It was -- There were some threats -- There were  12 some threats that were made to me. There were some --  13 some insults, some vulgarity through there. It was  14 pretty clear that -- you know, that she was unhappy with  15 my inability or my wanting to -- to classify her or to  16 reclassify her, so --</p> <p>17 Q. What threats did Jennifer make?</p> <p>18 A. There were some threats in there that were  19 made, and I don't remember exactly, but it was kind of  20 the tone, maybe some -- some -- some safety. I just --  21 that it probably would be best that her and I weren't in  22 the same proximity.</p> <p>23 Q. Generally what did she say as far as  24 threatening your safety?</p> <p>25 A. You know, I don't -- I don't recall exactly,</p>	<p>Page 302</p> <p>1 Q. Did you honestly believe that Jennifer Hamilton  2 would harm you?</p> <p>3 A. I -- I honestly did. And that's why I went to  4 and brought the matter up with Ted. She was -- At that  5 particular time, there was -- there was -- there were  6 threats intimated for my health and well being.  7 Absolutely there was.</p> <p>8 Q. Had you ever seen Jennifer Hamilton do anything  9 that threatened the safety of other employees at the  10 Authority?</p> <p>11 A. She had -- On several occasions, we had had  12 some rather heated arguments, so there was enough  13 there -- enough history there that I thought there was  14 some -- some threat to my safety, yes.</p> <p>15 Q. Had she previously threatened your safety?</p> <p>16 MS. CHINN: Would you mark the question where she  17 cut him off in his answer, please. Thanks.</p> <p>18 MS. MCDONOUGH:</p> <p>19 Q. Had Jennifer Hamilton previously threatened  20 your safety prior to the meeting that you had with her  21 about the desk audit?</p> <p>22 A. In meetings prior she had, but this was -- If  23 you would have -- If you would understand the tone of --  24 of -- of the conversation with her, she got up. We were  25 on -- on desk -- me on my side of the desk, her on her</p>
<p>1 but it was to the point that I had to go to Ted. And  2 Ted and I had rather extensive -- as my direct  3 supervisor, rather extensive conversations about --  4 about trying to get her for both of our interest, to --</p> <p>5 Q. Did you -- Did you --</p> <p>6 MS. CHINN: Wait. Don't cut him off.</p> <p>7 Were you finished?</p> <p>8 THE WITNESS: No, not yet.</p> <p>9 MS. MCDONOUGH: He answered my question.</p> <p>10 MS. CHINN: Well, that doesn't mean his answer is  11 finished.</p> <p>12 MS. MCDONOUGH: You can depose him later if you'd  13 like.</p> <p>14 MS. CHINN: Excuse me.</p> <p>15 Would you read his answer back, please, Suzanne.</p> <p>16 Don't do that. I want to hear what he has to say.</p> <p>17 (The answer is read by the reporter.)</p> <p>18 MS. CHINN: Can you finish it, please.</p> <p>19 THE WITNESS: Yeah.</p> <p>20 MS. MCDONOUGH: He answered my question. I -- You  21 can ask him a question later.</p> <p>22 Q. I said, "What did she say about threatening  23 your safety?"</p> <p>24 You said you don't recall; correct?</p> <p>25 A. That's correct.</p>	<p>Page 303</p> <p>1 side of the desk. She threw stuff. She got up. She  2 yelled. I mean, pretty -- pretty heated argument.</p> <p>3 And I tried to restrain her, trying to keep my  4 calm, just trying to get her to understand the mechanics  5 of -- of what we were trying to do and trying to get --  6 trying to give her alternatives of how she can get to  7 the point that she wanted. But she wanted nothing to do  8 with it.</p> <p>9 Q. What did she throw?</p> <p>10 A. She had thrown -- I had papers -- papers, pens.  11 She had thrown some of those -- those around.</p> <p>12 Q. Where did she throw them?</p> <p>13 A. Just threw them away from my direction, so to  14 the door or to my coat rack.</p> <p>15 Q. So she didn't throw the papers and pens at you?</p> <p>16 A. No, but she still threw it.</p> <p>17 Q. And you said you tried to restrain her?</p> <p>18 A. No. I did not. I tried to restrain her by --  19 by -- by the words that I used to her. At no time did I  20 ever touch her.</p> <p>21 Q. So you were trying to calm her down?</p> <p>22 A. Absolutely.</p> <p>23 Q. You didn't physically try to restrain her?</p> <p>24 A. Oh, absolutely. I would never do that.</p> <p>25 Q. And what was she yelling at you?</p>

20 (Pages 302 to 305)

<p style="text-align: right;">Page 306</p> <p>1 A. She -- Exactly what she was yelling I don't  2 remember. But she was pretty -- pretty hostile towards  3 me that I would not agree to move -- to move it forward.</p> <p>4 Q. Was anyone else in the room with you at that  5 time?</p> <p>6 A. No. We had closed door.</p> <p>7 Q. Were you in your office?</p> <p>8 A. Yes, ma'am.</p> <p>9 Q. Do you know if anyone heard her yelling at you?</p> <p>10 A. I'm sure that -- I'm trying to remember exactly  11 if it was during regular work hours, which I believe  12 this was not. But if it was really regular work hours,  13 my office -- right outside of the door would be Kimberly  14 Zehner and Carol Mahaffey, so they would have heard.</p> <p>15 Q. Did you ever ask Kimberly or Carol if they  16 heard the yelling?</p> <p>17 A. No, I did not.</p> <p>18 Q. Have you ever said to Jennifer Hamilton, "Sit  19 there and look pretty" --</p> <p>20 A. Never --</p> <p>21 Q. -- or words to that effect?</p> <p>22 A. Never.</p> <p>23 Q. Have you ever said to Jennifer Hamilton, "Shut  24 up and look pretty"?</p> <p>25 A. Never.</p>	<p style="text-align: right;">Page 308</p> <p>1 Q. Have you ever told Jennifer Hamilton that her  2 husband is not the right person for her?</p> <p>3 A. No.</p> <p>4 MS. MCDONOUGH: Go ahead and take a break.</p> <p>5 THE WITNESS: Okay.</p> <p>6 THE VIDEOGRAPHER: Off the record at 11:53.</p> <p>7 (A recess is taken.)</p> <p>8 THE VIDEOGRAPHER: Back on the record at 12:01.</p> <p>9 MS. MCDONOUGH:</p> <p>10 Q. You mentioned, while we were off the record,  11 that you wanted to go back to some of your previous  12 testimony?</p> <p>13 A. Yes.</p> <p>14 Q. What do you want to add?</p> <p>15 A. Just want to go back and just put on the record  16 some of the comments that -- that I remember from my  17 conversations with -- with -- with Jennifer Hamilton.</p> <p>18 Q. And this was the conversation where you told  19 her that you were not going to progress with the upward  20 reclassification?</p> <p>21 A. That's correct.</p> <p>22 Q. Okay.</p> <p>23 A. You know, after -- after going through in  24 detail as to why I didn't believe that -- you know, that  25 it would be justified to go through and reclassify her,</p>
<p style="text-align: right;">Page 307</p> <p>1 Q. Have you ever said to Jennifer Hamilton, "Shut  2 the fuck up"?</p> <p>3 A. No. In fact, she has -- she has told me --  4 I don't use that type of language with my  5 employees.</p> <p>6 Q. You've never used the word "fuck" in the  7 workplace?</p> <p>8 A. That's -- Not direct -- Not direct to -- to an  9 employee in telling them "You just" -- you know, "You  10 just shut" -- I don't use those words.</p> <p>11 Q. Have you used the word "fuck" in the workplace?</p> <p>12 A. Yes.</p> <p>13 Q. Who have you used that word with?</p> <p>14 A. I don't recall. Just in general statements  15 where -- as we've been talking, but not specific to  16 employees.</p> <p>17 Q. Have you yelled at Maurice Gray and used the  18 "F" word?</p> <p>19 A. No. I don't recall.</p> <p>20 Q. Did you tell people at the Authority that  21 Jennifer Hamilton's husband was gay?</p> <p>22 A. No.</p> <p>23 Q. Have you ever heard that before, that you've  24 accused her husband of being gay?</p> <p>25 A. No.</p>	<p style="text-align: right;">Page 309</p> <p>1 she immediately came very hostile. She started using  2 the profanities like -- like "Fuck you. You're an  3 asshole. I can't believe you won't do this shit for me.  4 Don't you know I need the money?"</p> <p>5 And -- And, you know, towards the end, she said,  6 "I'm going to get you." And that -- When she said, "I'm  7 going to get you," that was when immediately I went to  8 Ted. I -- I ended that conversation there and said,  9 "Jennifer, I think for everyone's good it's just better  10 if we just end this."</p> <p>11 And then immediately after that, I went and talked  12 to Ted, informed him, and asked him if there's anything  13 that he can do to help me try to get out this situation  14 with her.</p> <p>15 Q. When did she throw the papers and the pen in  16 relation to the statements that you said she made?</p> <p>17 A. As -- As we started going over -- going over  18 the documentation. So that was kind of the summary  19 portion event. But there were still -- I mean, the  20 conversation was rather lengthy because we were going  21 through details by details.</p> <p>22 And then where she would, you know -- particular  23 when -- there was one section in the classification that  24 said that -- that -- that, you know, as part of her job  25 duties, all -- all documentations or all permit</p>

21 (Pages 306 to 309)

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1 applications come to her. Then she sends them out to  
 2 the employees. They all come back to her. She checks  
 3 them for -- you know, for proper -- if they were filled  
 4 out or not.

5 And -- And when we were going over the details of  
 6 those, I -- in other words, telling her that "Everyone  
 7 has a central role. Applications don't come centrally  
 8 to you. Everyone already knows what the role is to do.  
 9 And then, at the end of the day, you don't check them  
 10 for accuracy either. Those individuals do. They check  
 11 them."

12 So, you know, when we -- when I would bring some of  
 13 those items to note for her, that's when she started  
 14 growing increasingly frustrated.

15 Q. And you just gave me a string of statements  
 16 that she made to you that included profanity; correct?

17 A. That's correct.

18 Q. Did she say that all at once, or was that over  
 19 the course of the conversation?

20 A. Over -- Over the course.

21 Q. Had she ever used that type of language with  
 22 you before?

23 A. Yes, she has.

24 Q. Had you ever said anything like that back to  
 25 her?

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1 A. No.

2 Q. When she said, "I'm going to get you," what did  
 3 you think she meant by that?

4 A. That -- That was when I felt intimidated by  
 5 her. I didn't want to push the issue any further.  
 6 That's when our conversation ended, and I went straight  
 7 to Ted and let him know that something had to be done  
 8 because I -- I feared -- I feared for myself.

9 Q. What did you think she was going to do when she  
 10 said, "I'm going to get you"?

11 A. You know, all I know is that at that particular  
 12 time, the way she said it and her tone was -- It would  
 13 just be better if we no longer worked with each other.

14 Q. Did you work with her after that conversation?

15 A. We did. We had continued to work with each  
 16 other, but it had -- you know, immediately after that,  
 17 there was probably a period of maybe four to six weeks  
 18 that she would not say one word to me.

19 Q. But you continued to work together?

20 A. Yes.

21 Q. Did she ever do anything after that initial  
 22 conversation that you considered to be threatening?

23 A. The fact -- The fact that she would glare at  
 24 me, come into work, not say a single word, you know,  
 25 that was in -- enough intimidation, yeah.

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1 Q. When was that conversation that you had with  
 2 Jennifer regarding your decision not to upwardly  
 3 reclassify her?

4 A. I don't recall if you have -- It was probably  
 5 immediately after she submitted that -- that  
 6 documentation to me. So if -- if you have that, it's  
 7 probably a day in there. But I don't recall exactly  
 8 what day that was.

9 Q. I believe she submitted the desk audit in  
 10 February of 2005.

11 A. Okay.

12 Q. Does that sound right?

13 A. I don't know. I don't have the documentation.

14 Q. But it was shortly thereafter? Shortly after  
 15 she submitted the desk audit, you had a conversation  
 16 with her about your decision?

17 A. That's correct.

18 Q. Is there anything else that Jennifer Hamilton  
 19 did towards you that you considered threatening other  
 20 than what you've testified to?

21 A. I -- I'll have to come back, but I don't recall  
 22 at this time.

23 Q. What refreshed your recollection as to the  
 24 statements that Jennifer Hamilton made during your  
 25 conversation with her about the desk audit?

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1 A. I had -- You know, walking out of the office  
 2 and being able to walk around, just some of the  
 3 statements came back to me.

4 Q. What was your reporting relationship with  
 5 Jennifer Hamilton?

6 A. Jennifer Hamilton would -- was my  
 7 administrative assistant. She was Administrative  
 8 Assistant II, so she -- she was my direct administrative  
 9 assistant.

10 Q. Was there ever a time in 2005 where you tried  
 11 to have Jim Myhers take over the supervisory  
 12 responsibilities for your group?

13 A. Immediately after -- Immediately after he  
 14 joined employment with the Airport Authority, we had  
 15 gone through and divvied out the areas of  
 16 responsibility.

17 There had been a time -- a long time there that  
 18 there was no manager of ground transportation. As I  
 19 said before, there was no manager of -- of terminal  
 20 operations. And I was director. So there was a period  
 21 of about a year there that I acted in all three  
 22 capacities.

23 So once I was finally able to hire Jim Myhers, I  
 24 had to divest myself of areas of responsibilities that  
 25 were just too much for me and that were rightfully under

22 (Pages 310 to 313)

1 his -- should be under his realm of responsibility,  
 2 especially looking -- when you look at the  
 3 classification there.

4 Q. And that was supervising -- excuse me --  
 5 supervising everyone that worked for you?

6 A. No, supervising -- There was -- There was two  
 7 areas specific to -- to him. One would be supervising  
 8 the -- the permitting office, which -- in that  
 9 permitting office and the permitting functions, which  
 10 were a little bit of what Jennifer did, everything that  
 11 Kimberly Zehner did and everything that Carol Mahaffey  
 12 did. And then, on top of that, he would start assuming  
 13 responsibility for the airport traffic officer program.

14 Q. When you asked Jim Myhers to take over  
 15 supervising the people you just mentioned, were you  
 16 having trouble supervising those people?

17 A: I don't recall. I know -- I do recall that --  
 18 that through the years, there would be drama with --  
 19 with them. There was, for whatever reason, from time to  
 20 time that -- you know, that the employees in my office  
 21 would have conflicts with each other. There was a lot  
 22 of "he said," "she said."

23 So through the years, I'd have to go through and --  
 24 or through that -- through the months, I'd have to go  
 25 through and -- and have sit-downs with both -- both of

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1 her.  
 2 Q. What was Clifforine Massey's job title while  
 3 she was worked for you?  
 4 A. Her job title was Senior Airport Traffic  
 5 Supervisor.

6 Q. Do you know why she was out so often?  
 7 A. As -- Initially -- Initially there were some --  
 8 you know, she said she had some medical reasons that  
 9 were there. And so if that was the case, then I  
 10 referred her down to Human Resource, HR, to go through  
 11 and -- and have her figure it out with HR. And if she  
 12 was okay and HR gave me a note saying it was okay for  
 13 her not to be there, then that's what -- we went ahead  
 14 and complied.

15 After -- After that, her and I had conversations  
 16 where she said, "You know, I" -- "I don't know why I  
 17 don't come here. I just" -- "Some days I wake up, and I  
 18 just don't want to come to work."

19 Q. Did she indicate that she didn't want to come  
 20 to work because she didn't feel well?

21 A. No. No. In fact, she had conversations with  
 22 Ted. I -- I had worked with her extensively to try to  
 23 understand why she just didn't want to come to work, you  
 24 know. What could we do? How can we help her? What  
 25 type of training? What was it that I needed to do to

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1 them, specifically with -- with Jennifer Hamilton and  
 2 Carol Mahaffey, which just did not get along.

3 Q. Did Clifforine Massey work for you at any point  
 4 in time?

5 A. Yes, she did.

6 Q. What was your working relationship like with  
 7 Clifforine?

8 A. When she was there, or most of the time when  
 9 she was not at work?

10 Q. While she worked at the Authority.

11 A. Okay.

12 It was rather a strained working relationship. She  
 13 was -- In the total number of hours available that you  
 14 can work, she'd probably be absent one out of every  
 15 three days, if not one out of every two days. So it'd  
 16 make it -- it would make it rather stressful for me when  
 17 you have an employee who was there to oversee certain  
 18 functions and -- and never -- and was never able to be  
 19 there to follow through.

20 When -- When I tried to get ahold of her on cell  
 21 phone, she wouldn't be available, you know. You just  
 22 never knew when she was going to be there or not. She  
 23 would choose when she wanted to be involved in the  
 24 airport officer program, when she didn't. So it was --  
 25 it was -- It was a rather bad working relationship with

1 get her to come to work? She just -- She just didn't  
 2 want to work.

3 Q. Did Clifforine Massey voluntarily leave her  
 4 employment with the Authority?

5 A. Yes, she did.

6 Q. So you didn't terminate her?

7 A. No.

8 Q. Did you --

9 A. We --

10 Q. Oh. Go ahead.

11 A. No. Go ahead.

12 Q. What were the circumstances surrounding her  
 13 leaving, if you know?

14 A. We -- With the assistance of -- of Human  
 15 Resource, we had put her on a progressive disciplinary  
 16 plan. And -- And, as she said, It was pretty clear to  
 17 her that she would be unable to comply with that  
 18 progressive disciplinary plan, and she would have been  
 19 fired anyways, so she might as well quit.

20 Q. Who would have made the decision to fire her?  
 21 A. That would be a Ted Sexton/Human Resource  
 22 decision.

23 Q. Did Clifforine Massey ever say anything to you  
 24 that you considered to be hostile?  
 25 A. I don't recall.

23 (Pages 314 to 317)

<p>1 Q. Did she ever do anything towards you that you 2 would consider to be hostile? 3 A. I don't recall at this time. 4 Q. Did you ever have any sort of a hostile 5 interaction with her at all? 6 A. I don't recall if I did. 7 Q. Do you have any reason to believe that 8 Clifforine Massey is not credible? 9 A. Absolutely. 10 Q. Why? 11 A. Because for -- for years, she had gone through 12 and trying to -- you know, she had a -- she had a -- a 13 good position, good pay at the Airport Authority, and 14 now, when we finally focus on her areas of 15 responsibility and really try to get her to do her work, 16 do what we asked her to do in terms of her class 17 specification, duties, responsibilities, that she just 18 didn't want to do the work. So obviously she would be a 19 little upset because I would not let her continue coming 20 to work when she wanted to come in to work, let her do 21 what she wanted her to do. 22 Yeah, absolutely, there would be reasons why -- why 23 I would believe she would not be credible. 24 Q. In general or just with regard to you? 25 A. In -- I want to say with regard to me or issues</p>	<p>Page 318</p> <p>1 close to 36. 2 Q. Did you ever ask Clifforine Massey to put a 3 negative memo in Ray Sterling's file? 4 A. Absolutely. 5 Q. And did she do that? 6 A. I'm not sure if she did. 7 I know we had -- we had issues with Ray Sterling 8 that -- that went up to Ted Sexton's level that we had 9 to remedy, and -- and I believe those memos would all be 10 reflected in Ray Sterling's -- in employee file. 11 Q. Did Clifforine Massey tell you that she didn't 12 want to put the memorandum in Ray's file? 13 A. I don't -- I don't recall. 14 Q. Do you remember if Clifforine objected at all 15 to the criticism of Ray Sterling's performance that was 16 reflected in the memorandum? 17 A. I don't recall if she did. 18 Q. What were the problems with Mr. Sterling's 19 performance, from your point of view? 20 A. The problems with -- with Ray Sterling is he 21 didn't understand the chain of command. He felt he 22 was -- he was above and beyond the position. He had 23 looked at different opportunities to -- to get a 24 different job within the Airport Authority. He just -- 25 You know, his job function was airport traffic officer,</p>
<p>Page 319</p> <p>1 regarded to me, yeah. When -- When -- I guess would be 2 fair -- When I'm the reason why she doesn't work there 3 anymore, absolutely it would be -- she would -- I'm -- I 4 am sure that she would find ways just to -- just to 5 discredit me or -- or say anything in that manner. 6 Q. But you don't know any -- Strike that. 7 You don't believe that in general she's a liar or 8 doesn't tell the truth? 9 MS. CHINN: Objection. I think the question is 10 vague and ambiguous. 11 If you can answer, go ahead. 12 THE WITNESS: No. I'm not -- I'm not sure. 13 MS. MCDONOUGH: 14 Q. Do you have any information to suggest that 15 Clifforine Massey lies? 16 A. I'd have to think about that. 17 Q. Okay. If you remember later -- 18 A. Okay. 19 Q. -- anything, that would be helpful. 20 A. Okay. 21 Q. Did Clifforine Massey supervise the traffic 22 officers then? 23 A. By -- By title, yes. 24 Q. How many people did she supervise? 25 A. Thirty -- I believe the number was pretty</p>	<p>Page 321</p> <p>1 but he just many times would overstep his -- his areas 2 of responsibility. 3 Q. In what ways? 4 A. He would -- What he would do, issues, instead 5 of working through the chain, he had -- whether he had 6 questions, comments or something, instead of taking it 7 to -- to his direct supervisor, he would leap and maybe 8 go to the director of HR or go through, you know, to -- 9 directly to Ted Sexton for office hours. In fact, at 10 one particular time -- 11 THE REPORTER: "For" what? 12 THE WITNESS: "For office hours." 13 THE REPORTER: "Office hours"? 14 THE WITNESS: "Office hours." 15 MS. MCDONOUGH: 16 Q. "In fact, one particular time" -- 17 A. In -- In -- In -- What -- So what he tried to 18 do was -- was over- -- really overstep his bounds and 19 not give his immediate supervisor an opportunity to 20 respond, either to the affirmative or negative, to 21 his -- you know, to his request. 22 Q. And you were about to tell me about one 23 particular time when he did that? 24 A. Well, In -- you know, in -- in one particular 25 time, he would want to set up a weekly meeting with --</p>

<p>1 with Ted Sexton.</p> <p>2 Q. Do you know what the substance was supposed to</p> <p>3 be of that weekly meeting?</p> <p>4 A. No, just -- just anything and everything he --</p> <p>5 whatever he wanted to talk about.</p> <p>6 Q. Do you know what race Mr. Sterling is?</p> <p>7 A. Yes. He's African-American.</p> <p>8 Q. Do you know what race Clifforine Massey is?</p> <p>9 A. African-American.</p> <p>10 Q. Was Clifforine responsible for counseling</p> <p>11 Mr. Sterling?</p> <p>12 A. Her and I in tandem would -- would do it.</p> <p>13 But, yes, she would be in -- in terms of report and</p> <p>14 responsibility, she would be the first -- actually</p> <p>15 second, that second chain going up.</p> <p>16 Q. How closely did you work with Clifforine when</p> <p>17 she was in the office? Did you interact with her often</p> <p>18 or see her only once a day?</p> <p>19 A. No. We would -- Not often but not -- not once</p> <p>20 a day.</p> <p>21 What I would do would -- We work with her closely</p> <p>22 when memos come out, when ideas came out. We even --</p> <p>23 even to the point that I tried to encourage more</p> <p>24 interaction by setting up weekly meetings where she</p> <p>25 would submit to me a weekly report, but none of it which</p>	<p>Page 322</p> <p>1 Q. What was your working relationship like with</p> <p>2 Jim Prentice?</p> <p>3 A. Not really a whole lot. I would interact with</p> <p>4 Jim Prentice really only around budget season. He would</p> <p>5 help compile our budget slips.</p> <p>6 Q. Did you ever have any sort of a hostile</p> <p>7 interaction with Jim Prentice?</p> <p>8 A. I wouldn't call it hostile. Jim -- Jim</p> <p>9 Prentice had a tendency about him to be gossipy and to</p> <p>10 want to incite I guess disruption, if anything else,</p> <p>11 more than anything else. He liked -- He liked having</p> <p>12 chaos, then, where he would come in and create a little</p> <p>13 chaos and kind of back away and just watch it all go.</p> <p>14 Q. Can you give me an example of how he would</p> <p>15 create chaos?</p> <p>16 A. He would -- Just as an example, without</p> <p>17 specifics, would be, he would -- He would come in to our</p> <p>18 work group and -- and just say stuff, you know, that --</p> <p>19 that, "Hey, Jose said this" and -- or -- or "So and so</p> <p>20 said this," and -- you know, without getting too deep</p> <p>21 into specifics, and -- and just watch -- watch it all</p> <p>22 happen, you know. "So and so said this," and just</p> <p>23 create gossip and disruption and -- That's kind of --</p> <p>24 That's kind of who Jim Prentice is.</p> <p>25 Q. Do you remember anything specific that</p>
<p>1 she -- she followed through.</p> <p>2 It would be hard to have those type of interactions</p> <p>3 with her because you just never knew when she was going</p> <p>4 to be at work.</p> <p>5 MS. McDONOUGH: Why don't we go ahead and break for</p> <p>6 lunch.</p> <p>7 THE WITNESS: Okay.</p> <p>8 THE VIDEOGRAPHER: Off the record. The time is</p> <p>9 12:20.</p> <p>10 (A lunch recess is taken.)</p> <p>11 THE VIDEOGRAPHER: This is the beginning of</p> <p>12 Videotape Number 2, Volume II.</p> <p>13 Back on the record at 1:39.</p> <p>14 MS. McDONOUGH:</p> <p>15 Q. Is there any reason why you cannot continue to</p> <p>16 give your best testimony?</p> <p>17 A. No.</p> <p>18 Q. Did you work with Jim Prentice when you worked</p> <p>19 at the Authority?</p> <p>20 A. Jim Prentice worked in our same department,</p> <p>21 correct.</p> <p>22 Q. Did you have any sort of a reporting</p> <p>23 relationship with him?</p> <p>24 A. No. He -- Jim Prentice reported directly to</p> <p>25 Ted Sexton.</p>	<p>Page 323</p> <p>1 Jim Prentice said that would cause chaos?</p> <p>2 A. Not -- Not at this time.</p> <p>3 Q. Do you have any reason to believe that</p> <p>4 Jim Prentice is not credible?</p> <p>5 MS. CHINN: Objection. It's vague and ambiguous.</p> <p>6 Answer if you can.</p> <p>7 THE WITNESS: Not at this time.</p> <p>8 MS. McDONOUGH:</p> <p>9 Q. Did you work with Carol Mahaffey?</p> <p>10 A. Yes.</p> <p>11 Q. What was Carol's position at the Authority</p> <p>12 while you were there?</p> <p>13 A. Carol Mahaffey was Administrative Assistant I,</p> <p>14 Permitting, for the Airport Authority.</p> <p>15 Q. Did she work for you?</p> <p>16 A. She worked in my department, yes, ma'am.</p> <p>17 Q. Were you her direct supervisor?</p> <p>18 A. Yes.</p> <p>19 Q. What was your working relationship like with</p> <p>20 Carol?</p> <p>21 A. Depended on the day with her.</p> <p>22 Q. What do you mean by that?</p> <p>23 A. Carol would -- Carol would either be the</p> <p>24 greatest employee that you would have, or some days she</p> <p>25 would just be in a mood and -- and -- and not be.</p>

25 (Pages 322 to 325)

<p>1        But for the most part, I thought Carol and I had a  2        pretty good working relationship.  3        Q. Did you have any sort of hostile interaction  4        with Carol at any point in time?  5        A. No. A lot of the interaction that I had with  6        Carol really was specific to the dynamics between her  7        and Jennifer Hamilton.  8        Q. What do you mean by that?  9        A. Jennifer Hamilton and Carol Mahaffey just did  10       not get along. So on regular periods, I'd have to sit  11       them both down. They would have a tendency to come in  12       and -- and tell me what the other person said, and the  13       other person would come in and said what they said about  14       each other, and I just started making a practice to get  15       them both in the same office and -- and try to hash it  16       all out.  17       Q. Did you ever yell at Carol while there were  18       other people around?  19       A. I don't recall.  20       Q. Did you ever yell at Carol at all?  21       A. I don't recall.  22       Q. Do you remember Carol ever saying to you,  23       "Don't talk to me like that"?  24       A. I don't recall.  25       Q. Do you remember having a meeting where you </p>	<p>Page 326</p> <p>1        A. Carol appears to be upset on -- I'm not sure --  2        I -- I don't recall for that specific -- at that  3        specific meeting.  4        Q. What was your working relationship like with  5        Jim Myhers once he started working at the Authority?  6        A. Jim Myhers -- I have always considered  7        Jim Myhers to be a -- a -- a good employee and a -- and  8        a friend.  9        Q. Do you still consider him to be a friend?  10       A. I have not spoken -- I'm -- On two occasions, I  11       believe. Just other than those occasions, I have -- I  12       haven't interacted with Jim Myhers.  13       Q. But you say that you've spoken to him on two  14       occasions since you left your employment with the  15       Authority?  16       A. Just about two occasions, exactly. Or a couple  17       other occasions, but we've already gone over those  18       specific incidences.  19       Q. Yesterday when we spoke about the people that  20       you had talked to since you left your employment with  21       the Authority -- Do you remember that?  22       A. Yes.  23       Q. Was your attorney present during any of those  24       meetings where you spoke with people from the Authority?  25       A. Absolutely not.</p>
<p>Page 327</p> <p>1        called Carol into your office and you, Jim, Jennifer and  2        Kimberly were there to talk to Carol about her work  3        performance?  4        A. I don't recall.  5        Q. Did you ever tell Carol that you were the  6        person who runs the airport?  7        A. No.  8        Q. Do you have any reason to believe that  9        Carol Mahaffey is not credible?  10       A. I have reasons -- Not -- Not at this time. Not  11       at this time.  12       If I can go back --  13       Q. Sure.  14       A. -- please.  15       I believe that that meeting that we had regarding  16       with -- with Jim Myhers, Kimberly Zehner, Jennifer  17       Hamilton and myself was to discuss our internal plan now  18       that Jim Myhers had entered into the work group, and who  19       would assume who -- what responsibilities and how the  20       reporting structure would be and -- and that all. So it  21       was kind of a -- a mini-organizational meeting within  22       those -- in my -- in my group -- work group, if -- if  23       that is the one that you're referring to.  24       Q. Did Carol appear to be upset during that  25       meeting?</p>	<p>Page 329</p> <p>1        Q. Or other vendors or other people that you said  2        you spoke to since you left your employment?  3        A. Absolutely no.  4        Q. What was your relationship like with Jim Myhers  5        at the time you left your employment with the Authority?  6        A. Jim -- Jim Myhers -- Jim Myhers was genuinely  7        ecstatic to finally get away from -- or -- or to relieve  8        himself of employment with LPI. He was excited about  9        the opportunities of coming over to the Airport  10       Authority, and he was excited about being able to learn  11       more about, you know, a higher level of -- of  12       management, because him and I had always worked well  13       together, and he was really -- it -- in my mind, was  14       excited to be working for me.  15       Q. So your relationship was good at the time you  16       left?  17       A. Yes.  18       Q. Do you have any reason to believe that  19       Jim Myhers is not credible?  20       A. Not at this time.  21       If I can go back, please.  22       Q. Sure.  23       A. I believe that for -- for the most part, he's  24       credible. But I believe that he -- you know, that he  25       is -- that he's a bit intimidated over this whole </p>

26 (Pages 326 to 329)

<p>1 situation, having just left his previous employer, you  2 know, being relatively new to this organization. And he  3 might be intimidated about the whole process.  4 So, you know, maybe he could be coerced into saying  5 things he -- he may not generally, you know, would like  6 to say. He's in a tough position.  7 Q. Did you just modify your answer because your  8 attorney made a noise when you said --  9 MS. CHINN: I didn't make a noise.  10 MS. MCDONOUGH:  11 Q. -- "No, not at this time"?  12 A. I had -- I had, you know, a thought come to me  13 and just wanted to recant what -- what I said before.  14 MS. CHINN: I want to say something to my client  15 for a moment.  16 (The witness and his counsel confer off the  17 record.)  18 MS. MCDONOUGH:  19 Q. Do you know what extended-time parking passes  20 are for the Authority?  21 A. Yes, I do.  22 Q. What are those?  23 A. Those are parking passes that are issued  24 through our department that are good for more than a  25 24-hour period.</p>	<p>Page 330  1 Q. Well, you just said you signed for some passes.  2 A. I've signed for passes. I -- You know, I would  3 use them all the time. I would go out and get passes  4 for -- Whenever we had media events at the Airport  5 Authority, I'll go and get 30 and 40 at a time.  6 We would have guests or visitors coming through the  7 airport, and we would issue those, because a lot of  8 times we had the inability to validate their tickets,  9 and so we had always made it a practice to -- to bring a  10 stack of those passes.  11 Q. Did you always sign for any extended-time  12 parking passes that you checked out?  13 A. We would -- We would sign for the passes,  14 exactly.  15 Q. Did you personally sign for them?  16 A. I believe -- I can't recall if I did at  17 every -- but I know that it was documented whether --  18 you know, who had received those.  19 Q. So every time you received extended-time  20 parking passes, it was documented somehow?  21 A. I believe -- I believe that should have been  22 the case.  23 Q. Did you ever use extended-time parking passes  24 for your own personal use?  25 A. No.</p>
<p>1 Q. What are the extended-time parking passes used  2 for as far -- Well, strike that.  3 Who gets extended-time parking passes?  4 A. They are -- The extended-time parking passes  5 are used by federal agencies who are traveling to and  6 from the airport. They are used as courtesies. They  7 are used as promotional. They are used as -- Even when  8 we have parking card holders, Airport Authority parking  9 card holders, when they lose their -- or they can't find  10 their card, we issue those.  11 So they're used for a wide range of activity for,  12 once again, promotional, as courtesies. When we have  13 people who have had bad experiences going through the  14 airport, we go ahead and issue those kind of -- you  15 know, once again, as a little courtesy. But we use  16 them -- we use them in all forms.  17 Q. Have you ever used an extended-time parking  18 pass for your own personal use?  19 A. No.  20 Q. Do you ever remember asking Jennifer Hamilton  21 for a stack of extended-time parking passes?  22 A. Yes. And I believe I signed for those.  23 Q. How many did you obtain from her?  24 A. I believe -- Well, how many are you referring  25 to?</p>	<p>Page 331  1 Q. Or for your family or friends' uses?  2 A. No.  3 Q. Wait till my question is --  4 A. I'm sorry. I apologize.  5 MS. MCDONOUGH: I'm sure Cathryn would like that  6 too.  7 MS. CHINN: And I'd like you to wait for him to  8 finish his answer.  9 MS. MCDONOUGH:  10 Q. In the Complaint in this action, you've accused  11 Bryan Enarson of entering into side deals through a  12 handshake agreement with Host?  13 A. That's correct.  14 Q. What side deals are you referring to?  15 A. There was one specific deal that greatly  16 affected the construction of -- of new and improved  17 restroom facilities at the Southwest Airline rotunda.  18 Q. And that was a written contract?  19 A. The overall concession agreement is with Host,  20 but this specific deal not to -- not to impact the new  21 gift area was -- was the area -- was the side deal that  22 we were referring to.  23 Q. When you say "we were referring to," who are  24 you saying when you say "we"?  25 A. That -- That I'm referring to in the Complaint.</p>

27 (Pages 330 to 333)

<p>1 Q. So the specific side deal was that --  2 A. That he would not impact that facility.  3 Q. The specific side deal was that Bryan Enarson  4 would not impact the Host concession facility?  5 A. Absolutely.  6 When -- If -- If you are familiar with the  7 facility --  8 Q. In Terminal 1?  9 A. In Terminal 1, Southwest -- where Southwest  10 Airlines has the rotunda, the news and gift actually  11 used to be across the way where the Starbucks is now  12 located.  13 After when the Starbucks came in, there was a  14 deal -- there was a deal that -- that Bryan Enarson had  15 struck with -- I believe his name is Steve Johnson  16 with -- with Host to relocate across the street -- I  17 mean across the aisle, the news and gift space, and then  18 in doing so, that he -- that he told him that he would  19 not, in the future, come back to him and have that space  20 impacted in any way, shape or manner.  21 Q. He would not have the Starbucks space impacted?  22 A. No, the news and gift area.  23 Q. Isn't that agreement in a written contract?  24 A. I don't believe so.  25 Q. How are you aware of the agreement?</p>	<p>Page 334</p> <p>1 that -- that would be a side deal.  2 Q. You said, "To us, the inability of moving  3 forward with the restroom was a side deal."  4 Who is the "us"?  5 A. We had, as -- As members of landside operation  6 and terminal operations, we had on the drawing board for  7 about -- approximately three to five years, we had a  8 project on there that called for improved restrooms in  9 the Southwest rotunda.  10 We had gone through and put four or five different  11 iterations of what those -- of what those restrooms  12 would look like. And every time we came through -- and  13 it was just a simple -- These restrooms are -- were  14 vital for -- for -- for -- because the lines up in -- In  15 the Southwest rotunda, specifically the women's  16 restrooms, were horrendous out there.  17 So what we wanted to do was take the men's and  18 women's restroom, redo them into one big women's  19 restroom, and then relocate the men's up on top. But  20 what happened was we needed to have that 30 square feet  21 down below so we can comply with ADA requirements.  22 Q. Okay. Let's back up.  23 As you walk -- As you go up the escalator now into  24 the Southwest rotunda of Terminal 1, Starbucks is on the  25 right.</p>
<p>Page 335</p> <p>1 A. We had gone through -- For years we had gone  2 through to try to develop plans to -- to develop the new  3 and improved restrooms up on the mezzanine level of that  4 rotunda; and yet time and time and time again when it  5 got to the point of -- of requesting approximately  6 25 square feet, 30 square feet redaction of space from  7 that news and gift area, Bryan would always oppose  8 the -- the reduction of that space.  9 So finally, after -- you know, after meetings with  10 my counterpart, Troy Leech, she -- you know, she let me  11 know that the reason Bryan did not want to send that  12 letter to take away that space is because when --  13 when -- when the Starbucks was brought in and he  14 relocated across the street, he had specifically told  15 Steve Johnson that he would not impact that space.  16 Q. Why do you refer to that as a side deal?  17 A. Side deal because I don't believe he had the  18 authority to enter into -- into that sort of deal.  19 The -- To us -- To us, the inability of -- of  20 completing or moving forward with -- with the restroom  21 because he didn't want to go in and -- and remove  22 30 square feet from a concession just because he had  23 given him the word, and then as a result, you now go  24 back through and have to go to the drawing board, and it  25 impacts your -- your construction cost by \$2 million,</p>	<p>Page 337</p> <p>1 A. On the right side.  2 Q. The women's restroom is on the far right, and  3 the news and concession is on the left.  4 A. On the left.  5 Correction. Men's and women's restroom are both  6 on -- on the right, right when you go up the escalator  7 on the right.  8 Q. And the men's restroom is there also.  9 A. Yes, ma'am.  10 Q. Where is the space that you're saying could not  11 be used because of the side deal? Is it on the left or  12 the right?  13 A. It's on the left, which is -- If you're  14 familiar with the property, as you go -- as you go up  15 the escalator, you make a left, and SPC, Service  16 Performance Corporation, has a little utility closet  17 that they use. There is a little landing there that --  18 that needed to be pushed out a little bit further so we  19 can comply with ADA landing requirements.  20 Q. Do you believe that Bryan Enarson received any  21 sort of a kickback, compensation, or other benefit for  22 this side deal?  23 A. Not at this time.  24 Q. Could this deal be in writing?  25 MS. CHINN: Objection. Calls for speculation.</p>

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<p>1 THE WITNESS: I'm -- I'm -- In the conversations  2 that I've had with my counterparts, not only with --  3 with -- with Troy Leech and with Ted Sexton, I don't  4 believe that's in writing. But that's -- that's as far  5 as --</p> <p>6 MS. CHINN: Can you note on the record when she's  7 reading these Post-It notes that are being passed to her  8 by Amy Gonzalez? I'll let you --</p> <p>9 THE REPORTER: No.</p> <p>10 MS. CHINN: -- know. She's stopping and reading  11 these notes during the deposition.</p> <p>12 THE REPORTER: I -- I can't.</p> <p>13 MS. CHINN: You can't see her; I know. I'll let  14 you know.</p> <p>15 THE REPORTER: I mean, it's just not in my job  16 description --</p> <p>17 MS. CHINN: No. I know that.</p> <p>18 THE REPORTER: -- to follow people --</p> <p>19 MS. CHINN: I'll let you know.</p> <p>20 THE REPORTER: -- around the table.</p> <p>21 MS. CHINN: I'll let you know.</p> <p>22 If she doesn't listen to the answer, just stop your  23 answer.</p> <p>24 THE WITNESS: Okay.</p> <p>25 MS. MCDONOUGH:</p>	<p>Page 338</p> <p>1 was some space down there where it was extra seating  2 space that we needed to -- when we reconfigured, that  3 was needed for an exit aisle.</p> <p>4 So when we went in and had to expand because we  5 needed to add two more additional security checkpoint  6 lanes to that space, we went through and we took space  7 away from Host.</p> <p>8 Q. But you're not aware of the Authority taking  9 space as it sees fit up on the upper level of the  10 Southwest rotunda in the concession area that we're  11 referring to?</p> <p>12 A. That -- Not in that -- No, not in that  13 particular space, because --</p> <p>14 Q. Okay.</p> <p>15 A. -- it was just a nonstarter.</p> <p>16 Q. So you have testified that Troy Ann Leech and  17 Ted Sexton told you about this side deal that Bryan  18 Enarson had. Is there anyone else who told you about  19 it?</p> <p>20 A. I think it was pretty common within -- within  21 the terminal operations staff, those who worked with me,  22 that that was an impact, and that was the reason --</p> <p>23 THE REPORTER: Wait. Wait.</p> <p>24 THE WITNESS: -- why --</p> <p>25 THE REPORTER: Okay.</p>
<p>1 Q. Did anyone ever tell you that this side deal  2 that you have referred to was not in writing?</p> <p>3 A. Yeah. I don't believe in that specific  4 language it was. But in my conversations with -- once  5 again, with Troy Ann Leech and with Ted Sexton, they  6 both -- they both let me know that Ted had -- that --  7 sorry -- that Bryan had an agreement with Steve Johnson  8 not to impact that space if he agreed to move it over.</p> <p>9 And that's why he was very, very hesitant even  10 though -- even though he can do it, because it's within  11 the agreement that we can -- we can increase or decrease  12 any Host concession space as we see -- we see fit. But  13 I don't believe -- I don't believe that that is in  14 writing.</p> <p>15 Q. Why do you believe that the agreement says that  16 the Host concession space can be increased or decreased  17 as the Authority sees fit?</p> <p>18 A. Because we've had -- we have had other projects  19 that we have gone through and increased space for them  20 or decreased space for -- for some concessions.</p> <p>21 Q. In that particular area in the Southwest  22 rotunda?</p> <p>23 A. Not -- Not in that particular space.</p> <p>24 Not up on the rotunda but at the lower level, there  25 is a -- what used to be called the Top Gun bar. There</p>	<p>Page 339</p> <p>1 THE WITNESS: Go ahead.</p> <p>2 THE REPORTER: Something annoying just happened to  3 my ears and like scared me.</p> <p>4 So, "I think it was pretty common within the  5 terminal" -- And carry on with the answer, please.</p> <p>6 THE WITNESS: -- within the terminal operations and  7 Capital Improvement Committee that that was the reason  8 why the restroom project could not move forward.</p> <p>9 The restroom project should have moved forward back  10 in 2002, and so it had been stalled from 2002 through  11 2005 because Bryan Enarson was unwilling to go back to  12 Host and request a -- and request the redaction of that  13 space.</p> <p>14 MS. MCDONOUGH:</p> <p>15 Q. Are you certain that Bryan Enarson never went  16 to Host to request that space?</p> <p>17 A. According to the information that I had  18 received from -- from Troy, he was unwilling to go back  19 to Host and request that, that space back.</p> <p>20 Q. What exactly did Troy tell you about Bryan  21 Enarson's unwillingness to go back to Host?</p> <p>22 A. Troy -- I had gone to Troy -- to Troy, my  23 counterpart, trying to work with her to figure out what  24 it is that we needed to do to get that space.</p> <p>25 She, you know, quite frankly said, "He is" --</p>

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<p>1 "Ted" -- I mean, not Ted -- that Bryan was unwilling to  2 go back and get that space. He just didn't want to go  3 back, and we needed to find another alternative to -- to  4 the restroom project. But he was -- he did not --  5 definitively did not want to go back to Steve Johnson  6 and ask for that space.</p> <p>7 Q. Did she tell you why he didn't want to go back  8 and get that space?</p> <p>9 A. Because he had made him a promise that he  10 wasn't going to take that space away.</p> <p>11 Q. When did Troy Ann tell you that?</p> <p>12 A. It was through -- sometime through that  13 development project space, 2005, 2004. It -- It had  14 been an ongoing -- ongoing discussions.</p> <p>15 Q. So you believe that she told you about Bryan  16 Enarson's side deal in 2004 or 2005?</p> <p>17 A. I -- I believe that was the case.</p> <p>18 Q. Do you know when this side deal was entered  19 into?</p> <p>20 A. I believe it was part of -- it was part of  21 the -- the -- the whole construction of Starbucks up in  22 that rotunda, so it would have been around that  23 particular time. It just -- It did not surface to my  24 attention until we -- we -- we reintroduced that  25 restroom project that that was the reason why we could</p>	<p>Page 342</p> <p>1 landing requirements.  2 So without the ability of having that space, we  3 were unable to move forward with the project because we  4 would not be able to comply with the ADA requirements.  5 Q. When did you first determine that the Authority  6 was going to be unable to comply with the ADA  7 requirements in relation to the restroom and the  8 Terminal 1 Southwest rotunda?</p> <p>9 A. It was -- It was presented to us even back in  10 maybe 2002, 2003 when -- when the -- I believe it was  11 Parsons who was our construction manager at the time,  12 when they had put some options together for the landing.  13 But it was specific to them, to those drawings,  14 that in order for you to move forward with this project,  15 we needed to have that space and that -- for these  16 reasons: 2-percent grade, landing requirements.  17 Q. So Parsons presented it to the Authority in  18 2002 or 2003?</p> <p>19 A. It was presented to -- to project sponsors,  20 which was terminal operations, who -- who worked for me,  21 and -- the project sponsors.</p> <p>22 Q. In what manner was it presented? Was it a  23 written -- written plan, or was it a presentation? What  24 was it?</p> <p>25 A. There were some rough schematics initially that</p>
<p>Page 343</p> <p>1 not move forward with that project.</p> <p>2 Q. Have you ever seen an agreement between Host  3 and the Authority for that upper area of the Terminal 1  4 Southwest rotunda?</p> <p>5 A. I believe I had read the -- the overall Host  6 concession agreement to just familiarize myself with it,  7 but that -- that was over two years ago, and I don't  8 remember exactly.</p> <p>9 Q. That's the Host concession agreement for the  10 entire airport?</p> <p>11 A. Yes, ma'am.</p> <p>12 Q. Do you know if Host has amendments to that  13 agreement or other portions of the agreement that are  14 specific to certain areas within the airport?</p> <p>15 A. I don't -- I don't recall.</p> <p>16 Q. In your Complaint, you've also accused Bryan  17 Enarson of making it more difficult to comply with the  18 ADA -- is that correct? -- through this restroom  19 project?</p> <p>20 A. It was -- It was more his unwillingness to --  21 to work with us to take that space away from Host would  22 make it impossible for us to comply with ADA  23 requirements because you had -- that space was needed so  24 we can comply with the -- with the 2-percent grade  25 from -- from the floor up to the restrooms and then</p>	<p>Page 345</p> <p>1 were presented to us giving us options of things we can  2 do and not do. And it had been agreed by -- by the  3 group, by everyone who -- who had a stake, all the  4 stakeholders within the Airport Authority, that that was  5 a plan we needed to move forward with if -- if this  6 project was to be completed.</p> <p>7 Q. And who are the stakeholders that you're  8 referring to?</p> <p>9 A. Stakeholders would be the construction  10 management staff. You would have terminal operation  11 staff, landside operation staff, which would be groups  12 like -- or individuals like Ted, Jay Bass, who had a  13 stake in -- in management of service performance, which  14 is a custodial; Amiel Porta, who also had some terminal  15 operations, coordinator responsibilities; myself; and --  16 and other interested parties.</p> <p>17 Q. Who were the other interested parties?</p> <p>18 A. I believe we had some architects involved, but  19 for the most part it was -- it was terminal operations  20 staff, construction management staff who were trying to  21 put those plans together. And then the other interested  22 parties would be obviously Southwest Airlines, who --  23 who would be affected by -- or who would be affected or  24 benefit by those plans.</p> <p>25 Q. Are there any other specific people aside from</p>

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<p>1 you, Ted Sexton, Jay Bass, Amiel Porta that were what  2 you refer to as stakeholders in making the decision  3 about this?</p> <p>4 A. Oh, yeah. The -- The real estate -- The  5 real estate management staff. Obviously Troy Ann Leech  6 is a manager of -- or director of real estate, I  7 believe, at that point initially. We were all managers,  8 and then we went to two director positions.</p> <p>9 But her -- In her -- her real estate side,  10 Interested stakeholder is Bryan's side as -- as a  11 concession staff as well, construction management and  12 landside operations -- or terminal operations. Excuse  13 me.</p> <p>14 Q. So everybody within landside operations?</p> <p>15 A. Between terminal operations.</p> <p>16 I apologize. I corrected from landside to --</p> <p>17 Q. Thank you.</p> <p>18 A. -- terminal operations.</p> <p>19 Q. So everyone in terminal operations was a  20 decision-maker or a stakeholder in this?</p> <p>21 A. Yeah. We -- We -- We had made it a practice  22 that when projects of this nature would come through,  23 they would be open to discussions of capital  24 improvement -- Capital Improvement Committee. This  25 would be one of the projects that we presented to -- to</p>	<p>Page 346</p> <p>1 30 square feet of space on the left-hand side of the  2 area as you go up?</p> <p>3 A. That's correct.</p> <p>4 Q. Do you have any particular expertise with the  5 ADA?</p> <p>6 MS. CHINN: Objection. That calls for a legal  7 conclusion.</p> <p>8 THE WITNESS: What -- Specific to this project and  9 the requirements at 2-percent grade, the specifics to  10 the landing, yeah. I am -- I was not -- I don't -- I  11 can't label myself as an expert, but I am going off  12 of -- of advice of -- of the architects who put the  13 drawings together.</p> <p>14 MS. McDONOUGH:</p> <p>15 Q. So with regard to this particular project, your  16 knowledge of the ADA comes from the architects'  17 suggestion?</p> <p>18 A. We would always -- We would make it a practice  19 to -- to ensure that the architects fully understood  20 ADA -- ADA requirements, and we would move forward with  21 projects in that manner.</p> <p>22 Q. So your specific knowledge of the ADA in this  23 restroom context was from the architects themselves; Is  24 that correct?</p> <p>25 A. For this particular one, exactly.</p>
<p>1 that committee.</p> <p>2 Q. Who was on the Capital Improvement Committee at  3 the time that Parsons presented the first rough  4 schematic?</p> <p>5 A. It was back in -- When the initial schematics  6 and the thought was to move with this particular one, it  7 was back in 2002. I don't exactly remember. But it had  8 been stalled back from 2002 to 2005, and -- and it still  9 hasn't been built.</p> <p>10 Q. And when you say "terminal operations staff,"  11 who you are referring to?</p> <p>12 A. Referring to -- Let's see. It was Danette --  13 I -- I believe Danette might -- Danette Bewley may have  14 been there for -- for a period of that time, but also  15 Amiel Porta and Jay Bass.</p> <p>16 Q. So Parsons first raised this ADA issue in 2002?</p> <p>17 A. Yeah. It was -- It was part of -- I guess to  18 say it was raised, it was just as part of the  19 requirements to comply with this. "This is what you  20 need to do if you want to build this project, and this  21 is how we recommend you move forward with this: You are  22 going to need to take this 30 square feet of space in  23 there."</p> <p>24 Q. So if you want to build the restrooms and move  25 forward with it, you're going to need to take the</p>	<p>Page 347</p> <p>1 Q. Was there anything else that the architects  2 told you needed to be done other than the 2-percent  3 grade or landing in order to comply with the ADA in  4 relation to the women's restroom project?</p> <p>5 A. They had -- In order for us to -- That would be  6 the majority of the part. If we wanted to -- If we  7 wanted to rebuild -- It was a men's restroom up on that  8 mezzanine level. If you wanted to build this project,  9 you needed to take that space. That was -- Everything  10 else had -- that we had drawings ready to go out to bid  11 for the project, and that was the only thing that was  12 holding it up.</p> <p>13 Q. And is your understanding that the 2-percent  14 landing or grade only needed to be put in if these new  15 restrooms were put in as well?</p> <p>16 In other words, if the restrooms stayed as they  17 were, that they didn't need to add a 2-percent grade to  18 where the restrooms were?</p> <p>19 A. If the restrooms stayed -- If the restrooms  20 stayed the way they were, there were no requirements for  21 those. But -- In terms of architecturally speaking,  22 But in terms of customer service, we had to do  23 something. Those lines in the Southwest restroom were  24 probably some of the most horrendous you've ever seen.  25 There would be times that -- that women would be waiting</p>

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<p>1 to go into those restrooms 20 minutes.  2 We had it documented as part of our presentation,  3 you know, to -- to move this project forward where we've  4 had pictures of a hundred people waiting in line to try  5 to use the women's restroom.  6 So, you know, you could have left it alone, but I  7 doubt that was the type of customer service that -- that  8 the Airport Authority would be comfortable with -- with  9 providing.  10 Q. I just want to make sure I understand where the  11 ADA violation would come in, so I'll just ask a couple  12 questions on that.  13 MS. CHINN: There's no question pending. That's  14 your commentary.  15 MS. MCDONOUGH:  16 Q. So if the restrooms stayed the way they were,  17 even if they created long lines, your understanding is  18 that the Authority didn't need to add anything, such as  19 a grade, in order to make the restrooms, as they were,  20 compliant with the ADA?  21 MS. CHINN: That's not what he said. It  22 mischaracterizes his testimony. Objection.  23 THE WITNESS: Clarify. I don't -- I don't think I  24 understand what you're saying.  25 MS. MCDONOUGH:</p>	<p>Page 350</p> <p>1 renovation, that the Authority did not need to do  2 anything else to make those restrooms ADA compliant?  3 MS. CHINN: Objection. That lacks a foundation.  4 THE WITNESS: Having -- Having not spoken to the  5 architects or requested their -- their expert -- their  6 expert opinion, I can't properly answer that one.  7 MS. MCDONOUGH:  8 Q. After the architects presented the rough  9 schematics in 2002 and showed the 2-percent grade that  10 needed to be there, what was your next memory of any  11 discussion about the ADA compliance as it related to the  12 restroom renovation project?  13 A. That was -- That was the one key to -- to ADA  14 compliance.  15 And then at that particular time, building the  16 restrooms, we needed to ensure that -- that we complied  17 with the -- with the new requirements for -- for not  18 only wheelchair accessible restrooms but ambulatory  19 assist restroom stalls and -- and regular stalls and  20 number of urinals. At that particular time that we were  21 going over this project, there was new ADA requirements  22 that were introduced --  23 MS. CHINN: She's not listening to you.  24 THE WITNESS: -- that were introduced, so it  25 brought -- It brought a whole new flurry of -- of</p>
<p>1 Q. So if the Authority had decided not to renovate  2 the restrooms in the Southwest rotunda, is it your  3 understanding that the Authority would not need to add  4 any grades or anything else to make those restrooms ADA  5 compliant?  6 MS. CHINN: Objection. It assumes facts not in  7 evidence.  8 THE WITNESS: Yeah. I -- I -- I don't think I can  9 properly answer that at this time.  10 MS. MCDONOUGH:  11 Q. Why not?  12 MS. CHINN: It assumes facts not in evidence, and  13 it lacks a foundation.  14 MS. MCDONOUGH:  15 Q. Why can't you answer the question?  16 A. I believe I have to do a little more research.  17 But the decision had already been made to move forward  18 and do the restrooms.  19 So my understanding of that restroom project was  20 that if we were to build it as we all had agreed, we  21 needed to get that space. So the decision had already  22 been made to build the restrooms; just how are you going  23 to build them and what are they going to look like?  24 Q. Was it also your understanding that if the  25 restrooms stayed as they were and there was no</p>	<p>Page 351</p> <p>1 considerations.  2 MS. MCDONOUGH:  3 Q. When did those additional ADA issues arise?  4 A. Maybe 2004, 2005. But those ADA issues weren't  5 anything that would stop -- stop the project from moving  6 forward. The one -- The one thing that stopped the  7 project from moving forward was the inability to -- to  8 take back that 30 square feet of -- of space.  9 Q. Why do you say that the ADA issues involving  10 the size of the stalls would not stop the project from  11 moving forward?  12 A. There was just some resizing of the stalls at  13 that particular time when you add the ambulatory assist.  14 I don't -- I don't remember the exact sizing of those.  15 It would just cause things to kind of shift down a  16 little bit. But there was enough additional space that  17 it can be absorbed, and it really didn't affect the  18 design of the restroom.  19 Q. And the Authority was changing the stalls as it  20 needed to, from your understanding?  21 A. Yeah, that we -- As one of our capital  22 improvement projects, we had restroom upgrades, where  23 prior to this, we had just -- terminal operations staff  24 had sponsored a project that actually went into United  25 Airlines and revamped the men's restrooms at United</p>

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<p>1 Airlines.</p> <p>2 So we had -- we had gone through and looked at</p> <p>3 specific restrooms that we wanted to enhance, and we had</p> <p>4 just finished the United Airlines restroom, and this</p> <p>5 was -- this was our next project to go through with.</p> <p>6 Q. Did you ever raise the ADA issue regarding the</p> <p>7 2-percent grade with anyone at the Authority?</p> <p>8 A. With Ted.</p> <p>9 Q. When did you talk to Ted about it?</p> <p>10 A. With Ted.</p> <p>11 The -- The -- The requirement for that -- You're</p> <p>12 focusing on the wrong portion. The -- The -- The -- The</p> <p>13 space was there on the 2-percent grade. The space was</p> <p>14 not there on the landing. And that space was required</p> <p>15 to comply with landing, with the ADA landing</p> <p>16 requirements, because you have to be able to have so</p> <p>17 much space if someone is coming up with a wheelchair.</p> <p>18 So the -- the -- in order -- in order to have your</p> <p>19 landing or your 2-percent grade, which is your -- your</p> <p>20 walk up, walk down, you had the space for that, but you</p> <p>21 didn't have the space for -- for the landing. So that</p> <p>22 was -- that was the main question -- I mean the main</p> <p>23 issue that we had, not the 2-percent grade.</p> <p>24 Q. So you're saying that in addition to the</p> <p>25 2-percent grade, you had to have a place for -- a flat</p>	<p>Page 354</p> <p>1 the landing with Ted Sexton?</p> <p>2 A. The issue was -- The issue had been -- already</p> <p>3 been raised by -- The issue had already been raised by</p> <p>4 the architects. And we had -- It was -- It was all part</p> <p>5 of the drawings when they came back. "Hey, If you want</p> <p>6 to build them in this certain manner, this is what you</p> <p>7 need to have done."</p> <p>8 So the issues that we had brought up to Ted was to</p> <p>9 brief him on those projects and inform him what it is</p> <p>10 that needed to be happening and see if there's a way</p> <p>11 that he could help us convince -- or he can work with</p> <p>12 Bryan to get that space, take that space back so we can</p> <p>13 move forward with the project.</p> <p>14 Q. When did you first brief Ted Sexton on the</p> <p>15 issues raised by the architects related to the ADA?</p> <p>16 A. Ted -- Ted Sexton had already been briefed on</p> <p>17 those since this -- this project. And -- And I don't</p> <p>18 remember exactly how long it had been on the board, but</p> <p>19 the project to upgrade the restrooms in the Southwest</p> <p>20 rotunda had probably been on that board on our capital</p> <p>21 improvement list for over five years prior -- prior</p> <p>22 to -- to -- When we were still with the Port District,</p> <p>23 they had been put on hold. And then -- because we</p> <p>24 didn't have enough money to continue with that project.</p> <p>25 And then we -- they came back up, and then we resurfaced</p>
<p>1 place for a wheelchair to go on? Is that what you're</p> <p>2 saying?</p> <p>3 A. What happens is, whenever you have a landing</p> <p>4 under the ADA, you have to have a certain amount of</p> <p>5 radius so that when someone is there in a wheelchair,</p> <p>6 they can, quite literally, if they wanted to, go in</p> <p>7 circles. So it's different than you and I walking</p> <p>8 and -- and being able to make a tight turn on -- on --</p> <p>9 on two feet -- you know, two feet of space. I can do</p> <p>10 that turn. You don't have the same -- If you're in a</p> <p>11 wheelchair, obviously your -- your space is much more</p> <p>12 than two feet.</p> <p>13 So there's certain requirements that you must</p> <p>14 comply with. One -- You know, the 2 percent is because</p> <p>15 you don't want to have excessive. If you go over the 2</p> <p>16 percent, then you have to provide railings. And then if</p> <p>17 you stay -- And then once they do, either going upstairs</p> <p>18 or coming downstairs, you know, you have that -- those</p> <p>19 landing requirements to be able to give them enough</p> <p>20 radius so that they can maneuver around.</p> <p>21 Q. So the area that's on a 2-percent grade has to</p> <p>22 be a certain depth or width or --</p> <p>23 A. That's correct.</p> <p>24 Q. Okay.</p> <p>25 When did you raise the issue regarding the size of</p>	<p>Page 355</p> <p>1 It to continue and fill out and finish out the project.</p> <p>2 Q. When did you --</p> <p>3 A. It was a high priority for us.</p> <p>4 Q. When did you resurface the project?</p> <p>5 A. I want to say 2004. But the -- the minutes in</p> <p>6 the capital improvement plan -- there's an actual book</p> <p>7 that -- that details all the capital improvements</p> <p>8 projects and by -- by who the sponsor is, and that'll</p> <p>9 tell you exactly what the timeline -- timeline is.</p> <p>10 Q. Did you ever specifically discuss with</p> <p>11 Ted Sexton the fact that there was not enough room to</p> <p>12 comply with the ADA?</p> <p>13 A. That was part of our briefing with him, that</p> <p>14 if -- that this was the option that we all wanted to</p> <p>15 move forward to, and unless we got this space, we</p> <p>16 received this space from the news and gift area, we</p> <p>17 would be unable to comply with ADA regulations -- or ADA</p> <p>18 requirements. I apologize.</p> <p>19 Q. When was this briefing that you had with</p> <p>20 Ted Sexton?</p> <p>21 A. Probably in 2003, 2004. I don't -- It was --</p> <p>22 It had been awhile because we had been working -- we had</p> <p>23 been working for quite a long time to get those</p> <p>24 restrooms built. It was a high priority for us.</p> <p>25 Q. Did you ever raise the ADA issues again with</p>

<p>1 Ted Sexton after that initial briefing in 2003?</p> <p>2 A. It was understood that at -- that at time, that</p> <p>3 In order to move forward with this project, that -- that</p> <p>4 we needed to have those landing requirements, and that</p> <p>5 the only thing holding the construction of this project</p> <p>6 was the -- the -- the space for the landing.</p> <p>7 Q. Who understood that?</p> <p>8 A. It was understood between all of -- all of my</p> <p>9 employees from terminal operations, from Ted Sexton,</p> <p>10 from Troy Leech, the real estate staff and -- and the</p> <p>11 architects, architects and project construction staff</p> <p>12 from -- from Parsons at the time.</p> <p>13 Q. Are you aware of any other Authority employee</p> <p>14 raising this issue of the space needed for ADA</p> <p>15 compliance on the restroom project?</p> <p>16 A. No. I believe that -- that -- that as -- as</p> <p>17 director and having responsibility for that, that I had</p> <p>18 directed my employees. I would -- I -- I told them that</p> <p>19 I would work with Ted to try to get that space.</p> <p>20 We had then proceeded to -- to look at alternatives</p> <p>21 or see -- once again negotiate with Troy Leech, see what</p> <p>22 it is that we needed to do to get that space.</p> <p>23 Q. So you don't remember any specific</p> <p>24 conversations with Ted Sexton after that initial</p> <p>25 briefing in 2003 where you specifically said, "We can't</p>	<p>Page 358</p> <p>1 survey -- customer satisfaction surveys, and the key</p> <p>2 note that came back was "Your restrooms. You have to</p> <p>3 improve your restrooms." And that particular restroom</p> <p>4 had the highest -- the lowest ratings of any restroom at</p> <p>5 the airport. So that is why we focused on that restroom</p> <p>6 and enhance the services that we can provide on that</p> <p>7 restroom.</p> <p>8 Q. And you don't remember anyone else raising the</p> <p>9 ADA issue in the Capital Improvement Committee meetings?</p> <p>10 MS. CHINN: Objection.</p> <p>11 THE WITNESS: The -- The issue --</p> <p>12 MS. CHINN: That lacks foundation.</p> <p>13 THE WITNESS: The issue -- The -- The ADA Issue was</p> <p>14 pretty clear. It was the -- The -- The issue would be</p> <p>15 the inability to take that space. That's the issue.</p> <p>16 The -- The -- The plans are there; the drawings are</p> <p>17 there. So it's not an issue. It's just, "Hey, this is</p> <p>18 what" -- "If you want to build it, this is what you need</p> <p>19 to do." The issue was the inability to take that space.</p> <p>20 MS. MCDONOUGH:</p> <p>21 Q. Did you ever hear anyone from the Authority</p> <p>22 say, "We don't want to comply with the ADA? We're just</p> <p>23 going to build it as we want to build it, and we're not</p> <p>24 going to comply" --</p> <p>25 MS. CHINN: Objection.</p>
<p>1 comply with the ADA if we don't get more space"?</p> <p>2 A. No, oh. It was -- It was -- It was an</p> <p>3 ongoing -- ongoing anytime this project would come up.</p> <p>4 Ted was a member of that Capital Improvement Committee,</p> <p>5 so it would be -- it was reoccurring. It wasn't a one</p> <p>6 conversation. It was -- It was constant note or an item</p> <p>7 issue that -- that we were trying to resolve.</p> <p>8 Q. Do you remember the last time you had a</p> <p>9 conversation with Ted Sexton about the compliance with</p> <p>10 the ADA?</p> <p>11 A. You know, all I know is -- No, I don't remember</p> <p>12 the last time.</p> <p>13 Q. Was it in 2004?</p> <p>14 A. It was -- It -- It has been as -- as late as</p> <p>15 2005.</p> <p>16 Q. The beginning of 2005 or the end of --</p> <p>17 A. Towards --</p> <p>18 Q. -- 2005?</p> <p>19 A. -- the end. I mean, we -- we had worked -- I</p> <p>20 had personally worked for over two years to try to do</p> <p>21 this restroom project, and we would brief it time and</p> <p>22 time and time again to Ted, sometimes even on a daily</p> <p>23 basis, sometimes on a weekly basis.</p> <p>24 But this was -- this was a high priority for us.</p> <p>25 We had gone through and done some -- some customer</p>	<p>Page 359</p> <p>1 MS. MCDONOUGH:</p> <p>2 Q. -- "with the ADA," or anything --</p> <p>3 MS. CHINN: Objection.</p> <p>4 MS. MCDONOUGH:</p> <p>5 Q. -- of that type?</p> <p>6 MS. CHINN: That calls for -- That calls for</p> <p>7 speculation.</p> <p>8 You can answer it if you can.</p> <p>9 THE WITNESS: No, I don't think -- I don't think I</p> <p>10 can answer that.</p> <p>11 MS. MCDONOUGH:</p> <p>12 Q. Why can't you answer that?</p> <p>13 MS. CHINN: I think that's argumentative.</p> <p>14 THE WITNESS: Yeah. I can't -- I don't believe I</p> <p>15 can answer that question.</p> <p>16 MS. MCDONOUGH:</p> <p>17 Q. I asked you if you ever heard anyone from the</p> <p>18 Authority say that the Authority did not want to comply</p> <p>19 with the ADA with regard to the women's restroom.</p> <p>20 A. I can -- I can only respond to my wanting to</p> <p>21 comply with -- with all ADA requirements. I can't -- I</p> <p>22 can only speak for myself.</p> <p>23 Q. And you wanted to comply with the ADA</p> <p>24 requirements?</p> <p>25 A. Yes, I did.</p>

<p>1 Q. Are you aware of anyone at the Authority that  2 did not want to comply with the ADA requirements with  3 regard to the women's restroom?  4 A. I'm not sure if I can answer that at this time.  5 Q. Why not?  6 A. 'Cause -- 'Cause I can't.  7 MS. CHINN: That's argumentative too.  8 MS. MCDONOUGH:  9 Q. What information do you need in order to  10 respond to that?  11 A. You know, I -- I --  12 MS. CHINN: Objection.  13 THE WITNESS: I don't believe I can -- I can  14 respond to that question for you.  15 MS. MCDONOUGH:  16 Q. Why can't you respond to it?  17 MS. CHINN: It's argumentative.  18 THE WITNESS: Because I can't.  19 MS. CHINN: Again, it calls for speculation.  20 MS. MCDONOUGH:  21 Q. You can't respond because you don't know?  22 A. Because I think I'd rather have more time to --  23 to try to recollect if that was the case.  24 But, you know, I -- I tell you that my requirement  25 was to -- or my intent was to comply with -- with the</p>	<p>Page 362</p> <p>1 MS. CHINN: Stop arguing with him.  2 THE WITNESS: We keep --  3 MS. MCDONOUGH:  4 Q. What is it --  5 A. -- going back and forth, and I'm going to keep  6 telling you I can't respond to that question. So if you  7 want to keep doing that, we're just going to keep doing  8 this.  9 Q. Why can't you respond?  10 A. Because I can respond to what I know at this  11 particular time if -- if -- But if I don't know it, then  12 I can't -- I can't respond at this particular time.  13 Q. As we sit here today, are you aware of any  14 person at the Authority who did not want to comply with  15 the ADA requirements with regard to the women's  16 restroom?  17 MS. CHINN: Same objection. Move to strike the  18 question.  19 THE WITNESS: I -- I can't respond to that question  20 at this time.  21 MS. MCDONOUGH:  22 Q. What is preventing you from responding?  23 A. I just can't respond to that question at this  24 time.  25 Q. Why can't you tell me what's preventing you</p>
<p>1 ADA requirement.  2 I can answer what I know. I --  3 Q. Do --  4 A. I can't --  5 Q. Do you want to take a break to --  6 A. No.  7 Q. -- to see if you can remember if anyone --  8 MS. CHINN: Don't --  9 MS. MCDONOUGH:  10 Q. -- told you?  11 MS. CHINN: Don't keep talking over him when he's  12 trying to give an answer.  13 She can't do it. She's told us four times. If you  14 can't recall, you can't --  15 THE WITNESS: No.  16 MS. CHINN: -- recall.  17 THE WITNESS: I can't recall.  18 MS. MCDONOUGH:  19 Q. Well, this is the first time you said you can't  20 recall.  21 A. Well --  22 Q. So is that the answer?  23 A. I can't -- I can't respond to your question.  24 Q. Why not?  25 A. Because I -- Because I can't at this time.</p>	<p>Page 363</p> <p>1 from responding to the question?  2 A. I'd like to give it a little more thought.  3 Q. Okay. Let's take a --  4 A. Okay.  5 Q. -- break, and we'll come back and talk about  6 it.  7 A. We can -- We can take the break all day long,  8 and I'm still not going to be prepared to answer that  9 question at this time.  10 Q. When will you be prepared to answer the  11 question?  12 A. I'm not sure.  13 Q. Is there any additional information I can  14 provide you that would refresh your recollection?  15 A. No. I -- I -- I wouldn't even -- I wouldn't  16 know -- I wouldn't even know what to ask.  17 MS. MCDONOUGH: Okay. We'll take a break.  18 MS. CHINN: We're going to move for sanctions on  19 this line of questioning under 128.  20 THE VIDEOGRAPHER: Off the record at 2:30.  21 (A recess is taken.)  22 THE VIDEOGRAPHER: Back on the record at 2:44.  23 MS. MCDONOUGH:  24 Q. Is there any reason why you cannot continue to  25 give your best testimony?</p>

<p>1        A. No.</p> <p>2        Q. Did Bryan Enarson ever tell you that he did not</p> <p>3        want to comply with the ADA with regard to the women's</p> <p>4        restroom project?</p> <p>5        A. Those -- Bryan -- No.</p> <p>6        Q. Did he ever say anything to that effect?</p> <p>7        A. No.</p> <p>8        Q. Did Troy Ann Leech ever tell you that she did</p> <p>9        not want to comply with the ADA with regard to the</p> <p>10       women's restroom project?</p> <p>11       A. No.</p> <p>12       Q. Do you recall anyone at the Authority ever</p> <p>13       saying to you that they or the Authority did not want to</p> <p>14       comply with the ADA with regard to the women's restroom</p> <p>15       project?</p> <p>16       A. No.</p> <p>17       Q. Are you aware of any of the Authority's actions</p> <p>18       that were contrary to the ADA with regard to the women's</p> <p>19       restroom project?</p> <p>20       A. If -- If -- If you look at it in this context,</p> <p>21       only way you can build this restroom in the manner that</p> <p>22       was recommended by the stakeholders is by taking that</p> <p>23       space. Only thing that reflects to me is someone's</p> <p>24       inability or want to take that space would render --</p> <p>25       would -- would render this project from being completed.</p>	<p>Page 366</p> <p>1        Q. I'm sorry.</p> <p>2        The project to build the men's restroom on the</p> <p>3        left-hand side of the rotunda as you walk up -- go up</p> <p>4        the escalator, do you know if that project has ever been</p> <p>5        actually started, they started construction on it?</p> <p>6        A. After five years, no.</p> <p>7        What -- What had happened was, it was strongly</p> <p>8        recommended to the group that we need to find another</p> <p>9        alternative, no matter what the cost was. So with --</p> <p>10       with Bryan's instructions, the -- the architects and --</p> <p>11       and construction managers went back to the drawing board</p> <p>12       and devised a new -- a new drawing for -- a new drawing</p> <p>13       or a new schematic for -- for this project that -- that</p> <p>14       did not involve the -- you know, the -- not involve the</p> <p>15       reduction of Host space. That particular project came</p> <p>16       back at a cost of over \$2 million over the original</p> <p>17       project.</p> <p>18       Q. And I apologize. I think I might have confused</p> <p>19       the situation earlier by saying the women's restroom.</p> <p>20       This whole time you've been talking about a men's</p> <p>21       restroom on the left?</p> <p>22       A. The men's restroom -- If -- If I can just</p> <p>23       explain it this way: What was going to happen was,</p> <p>24       the -- The existing women's restrooms on the right as</p> <p>25       you get off the escalators -- there's a men's and</p>
<p>1        So I just put it in that context, is someone's</p> <p>2       inability or want to take that space would -- would not</p> <p>3       allow us to complete this project.</p> <p>4       Q. So you're not saying that the Authority</p> <p>5       actually violated the ADA.</p> <p>6       MS. CHINN: Objection. That calls for a legal</p> <p>7       conclusion, and he can't testify to that.</p> <p>8       MS. MCDONOUGH:</p> <p>9       Q. Did you believe that the Authority was</p> <p>10       violating the ADA?</p> <p>11       A. I believe that -- It would -- It would be my</p> <p>12       belief that in order to comply with this project as the</p> <p>13       stakeholders have requested, we needed to have that</p> <p>14       landing -- this particular landing in place.</p> <p>15       Someone's inability or want to take the space for</p> <p>16       personal reasons or for whatever reasons they were</p> <p>17       obviously would render this project, you know,</p> <p>18       unconstructionable. That would be my response.</p> <p>19       Q. So without the space, they just couldn't do the</p> <p>20       project?</p> <p>21       A. Exactly.</p> <p>22       Q. Do you know if the project to build the -- Is</p> <p>23       it the women's restroom on the left? Is that the one</p> <p>24       that was going in on the left?</p> <p>25       A. The men's restroom.</p>	<p>Page 367</p> <p>1        women's restroom. The first door that you go through is</p> <p>2        the men's. Your second door that you go through is the</p> <p>3        women's.</p> <p>4        What we were going to do, what -- what the project</p> <p>5        definition was, to take the men's and women's restroom,</p> <p>6        expand them, and make it into one big restroom with</p> <p>7        ability within that one big restroom to kind of cordon</p> <p>8        off half at a time, if you needed to, and then provide</p> <p>9        for extra corridors where -- where people can get in and</p> <p>10       do work on the plumbing chases, I believe they're</p> <p>11       called. So that was it.</p> <p>12       And then in order to do so, obviously you had to</p> <p>13       move the men's restroom somewhere else. The men's</p> <p>14       restroom was -- move on the other side of the corridor</p> <p>15       and would go up on the mezzanine level. So you</p> <p>16       would have to go through that little space that led you</p> <p>17       to SPC's janitorial closet. That would then be the</p> <p>18       landing, and then the restrooms would be up on that</p> <p>19       mezzanine level.</p> <p>20       Q. Okay.</p> <p>21       I'm going to reask some questions, then, because I</p> <p>22       used the term "women's restroom," and I want to make</p> <p>23       sure we were referring to the same thing.</p> <p>24       So did Bryan Enarson ever say to you that he did</p> <p>25       not want to comply with the ADA in regard to the</p>

<p>1 restroom project in Terminal 1?  2 A. The -- Repeat that again just so that I  3 understand.  4 Q. Did Bryan Enarson ever tell you that he did not  5 want to comply with the ADA in relation to the women's  6 or men's restroom project in Terminal 1?  7 A. Not specifically.  8 Q. Did he say anything to that effect?  9 A. No. It was more -- It was more action by  10 inaction. The inability to take that landing would not  11 allow you to construct it. So that -- that's why I say  12 action by inaction. His inability to want to take the  13 space would not allow you to do the project. So you can  14 kind of infer from there.  15 Q. Are you aware of anyone at the Authority saying  16 that they did not want to comply with the ADA with  17 regard to the restroom project in Terminal 1?  18 A. I think the -- the -- once again, the unwilling  19 or the want to take that space would not allow you to  20 proceed with this project. So you can use it as an  21 argument for and -- and against, or you can't comply  22 with the ADA because -- because you don't have the  23 space. But you don't want to take the space. You see?  24 So it's -- You're kind of in a Catch 22 the way it's  25 presented. "Well, we can't build it because we're not</p>	<p>Page 370</p> <p>1 For the restroom.  2 Q. It's just more extensive?  3 A. Yes, for not much of a different of a restroom.  4 Q. Did you ever believe that the Authority was  5 violating the ADA in regard to the restroom project?  6 A. I believe -- I believe that the inability to --  7 to -- to secure that space would not allow you to comply  8 with the ADA requirements and thus not allow you to  9 complete that restroom project.  10 Q. So instead of completing the original restroom  11 project, the Authority created a new restroom project --  12 A. A new one to --  13 Q. -- where they could comply with the ADA?  14 MS. CHINN: I think that mischaracterizes his  15 testimony. It's an objection.  16 THE WITNESS: That's incorrect.  17 In -- The -- A -- A better way to put it would be,  18 bryan's refusal to take the space caused a creation  19 or -- or the development of a new, more expensive  20 project just so he didn't have to take the space. He  21 absolutely did not want to go and ask for that space  22 back.  23 MS. MCDONOUGH:  24 Q. How many times did you raise this ADA issue  25 with Ted Sexton from 2003 to 2005?</p>
<p>1 going to comply with the ADA."  2 "Well, take the space."  3 "I don't want to take the space."  4 Q. I'm just trying to make sure you didn't hear  5 any statements outright where somebody said, "I just  6 don't want to comply with the ADA."  7 A. No, those -- not those types of statements. .  8 That's why -- That's why the -- the best way I can  9 phrase it as just action by inaction.  10 Q. Okay.  11 MS. CHINN: Let me ask my client something.  12 (The witness and his counsel confer off the  13 record.)  14 MS. MCDONOUGH:  15 Q. Did you ever believe that the initial  16 schematics presented by Parsons for the restroom project  17 in Terminal 1 violated the ADA?  18 A. No.  19 Q. Do you believe that the new project proposed by  20 Bryan Enarson for the restrooms violates the ADA?  21 A. I don't believe -- I don't believe they do, but  22 it's \$2 million more than the original options.  23 Q. But you're not aware of any violation of the  24 ADA with the new project?  25 A. I don't believe so, just it's \$2 million more</p>	<p>Page 371</p> <p>1 MS. CHINN: I believe that question has been asked  2 and answered, but answer again if you like.  3 THE WITNESS: I believe no less than -- than once a  4 week we would go through -- Ted and I spent an  5 inordinate amount of time with each other, and so we  6 would go over all these issues, you know, casual and not  7 casual. I mean, they -- this was an issue -- this was a  8 big issue for us, or the construction with -- the  9 construction of this restroom project was -- was my  10 number 1 priority.  11 MS. MCDONOUGH:  12 Q. So is it fair to say over 150 times --  13 A. It would be --  14 Q. -- you raised it?  15 A. -- easily -- easily over 50 to 100 times.  16 Q. Over a two-year period?  17 A. Yes, ma'am.  18 Q. Did Ted ever provide any sort of a reaction or  19 a response to you raising this ADA issue?  20 A. Ted -- We would bring up the issue to Ted. Ted  21 said he would take it for action. Weeks would go by or  22 days go by. "Hey, Ted, did you talk to Bryan?"  23 "No. I didn't get a chance to talk to him."  24 And we would go back through again. "Did you talk  25 to him?"</p>

37 (Pages 370 to 373)

<p>1 "No."</p> <p>2 So he was -- I think -- I -- I -- I think he was 3 afraid to bring up the issue to Bryan. He just didn't 4 want to deal with it with Bryan.</p> <p>5 Q. You said that "We would bring up the issue to 6 Ted." Who's the "we"?</p> <p>7 A. We -- Myself and -- and my terminal operations 8 staff.</p> <p>9 Q. And that's, once again, Amiel and --</p> <p>10 A. Amiel; Jay Bass; the -- the manager of terminal 11 operations, which was either Ron Larson or Danette in 12 there for a while; myself.</p> <p>13 Q. Why do you believe that Ted was afraid to bring 14 up the issue to Bryan Enarson?</p> <p>15 A. Because he wouldn't -- he -- he wouldn't bring 16 resolution to it. We would -- We would have 17 conversations with him about -- you know, and -- going 18 over the project, trying to understand why they just 19 didn't want to take the space.</p> <p>20 And he -- he said he would calendar a meeting 21 with -- with Bryan, go over it and get back to us with 22 the resolution, and he never did. He just dragged it 23 on.</p> <p>24 Q. And why do you believe Ted dragged it on?</p> <p>25 A. Because, as he said -- as he said was, Bryan</p>	<p>Page 374</p> <p>1 We had another in-house architect -- and I 2 forget -- I forget who they -- who their names are or 3 what their names are.</p> <p>4 The Parson's manager at the time.</p> <p>5 It was -- It was -- It was a whole committee 6 that was on those -- I'm not sure -- I don't have the 7 notes in front of me of who was exactly on that 8 committee to review that project, but it was -- it was 9 known that in order for us to proceed with that project, 10 we needed that space. That was the one and only thing 11 that was holding it up. We could have built that 12 restroom back in 2002 if we had the space.</p> <p>13 MS. MCDONOUGH:</p> <p>14 Q. Do you believe that you were perceived as the 15 person raising the ADA issue in regard to that project?</p> <p>16 A. I believe I was the person who was perceived as 17 bringing up the side deal issue that prevented us 18 from -- from complying with the ADA, which would then 19 allow us to proceed with the project.</p> <p>20 Q. Do you believe that anything about the side 21 deal itself is illegal?</p> <p>22 A. Absolutely, I do, because I --</p> <p>23 Q. What do you think is illegal about that side 24 deal?</p> <p>25 A. I don't -- I don't believe -- I don't believe</p>
<p>Page 375</p> <p>1 had entered into a deal or a side deal with Tom -- I 2 mean, it's -- I think it's -- Steve Johnson, I believe 3 is his name, from Host Properties. And he had told him 4 that he would not take the space.</p> <p>5 So that was Bryan's argument. "I told the guy I 6 wasn't going to take the space. I'm not going to do 7 anything that requires me to take the space. We got to 8 figure out a different way to do it." That's a 9 \$2 million side deal.</p> <p>10 Q. Do you know if Host received any sort of a back 11 or benefit from the new project that you said cost 12 2 million more dollars for the restrooms?</p> <p>13 A. The Host -- I don't believe -- No. I -- I 14 can't -- I -- I don't have the expertise to answer that 15 question or to tell you definitively that they did or -- 16 or they did not.</p> <p>17 Q. Do you know if anyone aside from Ted and your 18 terminal operations committee -- I'm sorry -- terminal 19 operations staff was aware of you raising the ADA issue?</p> <p>20 A. That -- It was, you know, Gus Abigas, who was 21 our architect.</p> <p>22 MS. CHINN: How do you spell his last name?</p> <p>23 THE WITNESS: A-b-i-g-a-s.</p> <p>24 Gus was aware of, you know, the issues and 25 requirement for the landing.</p>	<p>Page 377</p> <p>1 that -- that Bryan had the authority to enter into a 2 side deal where he can say, "At no time in the future 3 will I take this space." I -- I -- I -- I don't believe 4 he had the authority to enter in that type of agreement.</p> <p>5 Q. Did you ever ask anyone at the Authority 6 whether Bryan Enarson had the authority to enter into a 7 side deal with Host?</p> <p>8 A. When -- In conversations that I had with Ted, 9 we broached that issue, and I think it was determined 10 that -- It was my determination, just in -- In my 11 understanding, that I don't think he did. I can only 12 bring up the issue to my direct supervisor and -- and 13 have conversations from there.</p> <p>14 Q. And you formed that understanding based on your 15 conversations with Ted?</p> <p>16 A. That's correct.</p> <p>17 Q. What did Ted say that made you believe that 18 Bryan Enarson did not have authority to enter into a 19 side deal?</p> <p>20 A. When -- When we asked him if -- if -- if it's 21 possible to go ahead and do those and not have it in 22 writing or -- or amend certain agreements -- because we 23 amend every agreement. If we take a space, we'll go in, 24 and we'll change that agreement and then to reflect the 25 new. But this particular one didn't. So, you know,</p>

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<p>1 everything else is documented; why isn't this one?</p> <p>2 Q. Did --</p> <p>3 A. So --</p> <p>4 Q. -- you ever have ask to see an amendment to the</p> <p>5 Host agreement?</p> <p>6 A. I had gone through -- I had gone through and</p> <p>7 looked at the Host agreement. We had gone through and</p> <p>8 updated -- or that amendment -- that -- I'm sorry. That</p> <p>9 agreement -- That concessions agreement had to be</p> <p>10 amended when we added new concession space, when we</p> <p>11 expanded Gates 1 and 2 in Terminal 1.</p> <p>12 That amendment then -- That agreement then had to</p> <p>13 be amended again when we redacted or we -- we reduced</p> <p>14 space in the Top Gun bar.</p> <p>15 So there's amendments that go all the way through</p> <p>16 of -- of additions or deletions of -- of concession</p> <p>17 space. That one particular there was not -- was not</p> <p>18 called in.</p> <p>19 Q. Is it possible that there's an amendment that</p> <p>20 you did not see?</p> <p>21 A. It's possible.</p> <p>22 Q. Do you know who initially approved the restroom</p> <p>23 project in Terminal 1, the initial idea to go ahead and</p> <p>24 buy -- or have an architect draw up plans and go forward</p> <p>25 with at least looking at the project?</p>	<p>Page 378</p> <p>1 who originally approved it, but it was -- it had already</p> <p>2 been approved.</p> <p>3 MS. MCDONOUGH:</p> <p>4 Q. Do you know who approved the second project</p> <p>5 that you indicated cost \$2 million more than the first?</p> <p>6 A. The second project that had come through was</p> <p>7 approved by the CIC Committee.</p> <p>8 Q. And what is the CIC Committee?</p> <p>9 A. Capital Improvement Committee.</p> <p>10 But if I -- if I can go back real quick, I'm not</p> <p>11 sure -- We were still working on the schematics for the</p> <p>12 second -- the second one, which is the -- the \$2 million</p> <p>13 more in there. So you had the first project approved to</p> <p>14 move forward --</p> <p>15 THE REPORTER: "The" --</p> <p>16 THE WITNESS: -- and that --</p> <p>17 THE REPORTER: "The first project approval to</p> <p>18 move forward"?</p> <p>19 THE WITNESS: The first project had been approved</p> <p>20 to move forward as long as we were able to secure that</p> <p>21 space.</p> <p>22 The second one that had come through I believe</p> <p>23 was -- was then approved at Bryan's request by -- by the</p> <p>24 CIC Committee. Specifically when that happened, I can't</p> <p>25 tell you. You'd have to go back and take a look at the</p>
<p>Page 379</p> <p>1 MS. CHINN: Can you read me the question back,</p> <p>2 please.</p> <p>3 (The question is read by the reporter.)</p> <p>4 THE REPORTER: Sorry.</p> <p>5 MS. CHINN: "Initial approval"? "Approval."</p> <p>6 Is that the word?</p> <p>7 MS. MCDONOUGH: "Approved."</p> <p>8 THE REPORTER: "Approved the restroom project in</p> <p>9 Terminal 1."</p> <p>10 MS. CHINN: Okay. "Who initially approved it?"</p> <p>11 I'm sorry. Go ahead.</p> <p>12 THE WITNESS: Are we ready?</p> <p>13 The -- The project had already been on -- on the</p> <p>14 project's listing prior to -- to me being in that</p> <p>15 position.</p> <p>16 Where I got involved with the project was right as</p> <p>17 Dirk Mathiasen was leaving, I'd say 2002, 2003. He</p> <p>18 was -- He was one -- I mean, Dirk was the guy who was</p> <p>19 trying to lead that project. We were this close</p> <p>20 (indicating). We were -- I mean, we had drawings ready</p> <p>21 to go, probably 60, 65 percent drawings ready to be bid</p> <p>22 out and try to move the project forward. And then it</p> <p>23 was stopped because we didn't want -- they didn't want</p> <p>24 to take that space.</p> <p>25 So I guess in answer to your question, I'm not sure</p>	<p>Page 381</p> <p>1 notes.</p> <p>2 MS. MCDONOUGH:</p> <p>3 Q. I just want to make sure I understand.</p> <p>4 Is it the Capital Improvement Committee that</p> <p>5 decided finally to abandon the first project and go with</p> <p>6 the second?</p> <p>7 A. I believe that's correct.</p> <p>8 Q. Do you know who was on the Capital Improvement</p> <p>9 Committee at the time that the decision was made?</p> <p>10 A. I think -- I can't -- I know who are members of</p> <p>11 the Capital Improvement Committee, but I -- I -- I can't</p> <p>12 tell you who was there and approved that -- that and --</p> <p>13 and if it finally did.</p> <p>14 But Ted Sexton is on that group, Bryan Enarson,</p> <p>15 Angela Schaeffer, Woodson, and Thella is a member of</p> <p>16 that Capital Improvement Committee as well. Bryan. So</p> <p>17 really at the VP level.</p> <p>18 Q. How are you aware that the new project was</p> <p>19 going to cost \$2 million more than the original project?</p> <p>20 A. As part of -- As part of the schematics, I</p> <p>21 guess what you would call 30-percent submittal, through</p> <p>22 there you would have your estimators go back through and</p> <p>23 calculate the cost. That was -- That's all part of your</p> <p>24 30-percent committal when you do a drawing.</p> <p>25 "Okay. Now go get me an estimate." Those</p>

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<p>1 estimates would then come back. And then we looked  2 at -- we looked at those project costs versus the other  3 ones, and that's when it was disclosed -- or it was  4 presented to us that the new -- the new restroom project  5 would be over \$2 million more than the original project.</p> <p>6 Q. And when you say "we looked at it," you're  7 referring to the Capital Improvement Committee?</p> <p>8 A. The -- The -- The whole committee, the -- the  9 sponsorship committee, which is myself, with the  10 architects, with construction management, with the  11 estimators.</p> <p>12 Q. Do you know when the second project was  13 approved?</p> <p>14 A. No, I don't.</p> <p>15 Q. Or -- I'm sorry -- the new project?</p> <p>16 A. No, I don't.</p> <p>17 Q. Do you remember the year?</p> <p>18 A. No, I don't. Specifically -- I -- I don't  19 remember specifically when the new revised project was  20 approved.</p> <p>21 Q. Did you ever specifically discuss the ADA  22 issues with Bryan Enarson?</p> <p>23 A. No, I -- I discussed them with my direct  24 report, which was Ted Sexton.</p> <p>25 Q. Do you know if Ted Sexton told Bryan Enarson</p>	<p>Page 382</p> <p>1 Wait till she's paying attention to you to answer a  2 question.</p> <p>3 MS. MCDONOUGH: I have a remarkable ability to  4 multitask, so I am paying attention.</p> <p>5 MS. CHINN: I don't know what she said. Do you?</p> <p>6 MS. MCDONOUGH:</p> <p>7 Q. Have you finished answering your question?</p> <p>8 A. No. I was waiting for you to -- I -- I was  9 waiting for -- I saw that you were distracted. I'm  10 waiting for you. If you want, we can go ahead and --  11 and start again.</p> <p>12 Q. I am not distracted. I asked you a question.  13 The question was, what was the status of the  14 restroom project at the time you left employment with  15 the Authority?</p> <p>16 A. My understanding that -- that -- that it had  17 been decided that we would not be moving forward with --  18 with the initial recommended option, that this new  19 revised \$2 million more project would be now moving  20 forward with 65 percent to -- to development to 65  21 percent, and that would be the new and improved plan to  22 move forward with.</p> <p>23 Q. What do you mean by "65 percent"? It was  24 approved?</p> <p>25 A. In the development of a project, you first</p>
<p>1 that you had raised ADA issues?</p> <p>2 MS. CHINN: Objection.</p> <p>3 If you know, you can answer.</p> <p>4 THE WITNESS: No. I'm not sure what he -- what he  5 told him.</p> <p>6 I -- Our request -- Our request to Ted was to  7 communicate with Bryan and try to negotiate release of  8 that space. That was our request.</p> <p>9 MS. MCDONOUGH:</p> <p>10 Q. And that was you, Jay and Amiel?</p> <p>11 A. Yes. And -- And many times me by myself with  12 Ted.</p> <p>13 Q. What was the status of the restroom project at  14 the time you left employment with the Authority?</p> <p>15 A. I believe it was in between a 30- and a  16 65-percent submittal. It had been at that stage  17 where --</p> <p>18 MS. CHINN: She's still passing notes, and now  19 it's -- it's bothering me. I'm sorry. She's not  20 looking at you; she's reading her notes from Amy.</p> <p>21 It's not funny, Amy.</p> <p>22 MS. GONZALEZ: I think it is.</p> <p>23 MS. CHINN: I know you do. You've been laughing  24 about it all day. Should have got ready for the  25 deposition before you came.</p>	<p>Page 383</p> <p>1 start in the initial concepts, and you develop a  2 30-percent submittal, which will give you some rough  3 drawings, and then get into cost and estimates.</p> <p>4 Then when you go to 65-percent submittal, right  5 around 65 percent, now you have biddable documents --</p> <p>6 THE REPORTER: You have what?</p> <p>7 THE WITNESS: "Biddable."</p> <p>8 -- biddable documents where now you can proceed and  9 start soliciting for contractors to come in and do the  10 work in between there.</p> <p>11 Then you get all the way to 90-percent submittals  12 once you figured out your interiors and everything  13 that's going to go, you know, your -- your shades of  14 color, all those.</p> <p>15 And then at 100 percent, these are your plans.</p> <p>16 So I believe when I left employment, it was -- it  17 was either -- it was either -- either pretty close to or  18 at the 65 submittal process, 65-percent submittal  19 process.</p> <p>20 MS. MCDONOUGH: Let's go ahead and take a break.</p> <p>21 THE WITNESS: Okay.</p> <p>22 THE VIDEOGRAPHER: Off the record. The time is  23 3:10.</p> <p>24 (A recess is taken.)</p> <p>25 THE VIDEOGRAPHER: We're back on the record. It's</p>

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1 3:23.

2 MS. McDONOUGH:

3 Q. Is there any reason why you cannot continue to  
4 give your best testimony?

5 A. No.

6 Q. You alleged in the Complaint in this action  
7 that Bryan Enarson improperly negotiated a lease for the  
8 General Dynamics property. Is that correct?

9 A. Yes.

10 Q. What property are you referring to when you  
11 talk about the General Dynamics property?12 A. The -- The -- General Dynamics is -- is  
13 actually the -- the former -- the former General  
14 Dynamics plant on -- along Pacific Highway at the  
15 intersection of Sassafras. It's approximately 85,  
16 87 acres located just on the north side -- north side of  
17 the airport.18 Q. Do you know when the lease for that property  
19 was negotiated?20 A. Immediately -- Right around the same time that  
21 we split from -- the Airport Authority was created and  
22 the airport split from the Port of San Diego.

23 Q. And the lease is between the Authority and who?

24 A. The Authority and the Port of San Diego.

25 Q. So the Port owns the property?

1 information on possible development options specific to  
2 parking operations.3 Q. Do you know if anyone aside from Bryan Enarson  
4 was negotiating the General Dynamics lease?5 A. I believe there was a group of -- there was a  
6 group of members from the Airport Authority that were  
7 part of that negotiating team, but it was represented to  
8 me that Bryan was -- was the lead negotiator on behalf  
9 of the Airport Authority.

10 Q. Who represented that to you?

11 A. It was just a -- It was represented -- Well, he  
12 had represented himself in that manner.13 Q. Do you believe that the Authority's lease of  
14 the General Dynamics property is illegal?15 A. I believe -- I believe that based on the  
16 require- -- requirements for leasing available use,  
17 future use, that we overpaid -- we grossly overpaid for  
18 the property.19 Q. Do you believe that there's anything illegal  
20 about that?21 A. I believe -- I believe the interest of not only  
22 the Airport Authority but its tenants would question  
23 that lease, yes.24 Q. What is illegal about the General Dynamics  
25 lease?

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1 A. The people of California own the property, and  
2 it's held in Tidelands Trust by the Port of --

3 THE REPORTER: It is --

4 THE WITNESS: -- San Diego.

5 THE REPORTER: -- what?

6 THE WITNESS: And it's held in --

7 THE REPORTER: "In title in trust"?

8 THE WITNESS: -- in -- Tidelands Trust, with the  
9 Port of San Diego being the trustee.

10 MS. McDONOUGH:

11 Q. And why do you believe that Bryan Enarson  
12 negotiated the General Dynamics lease?13 A. Because during -- during those negotiations, he  
14 had come to me multiple times requesting my assistance  
15 in putting together revenue forecasts for that property  
16 to see how much we can justify paying.17 Q. Did you provide the forecast that Bryan Enarson  
18 requested?19 A. Multiple times. We -- I would provide -- I  
20 would provide them based on the scenarios that he would  
21 provide to me.22 Q. Did Bryan Enarson ever ask you to do anything  
23 besides provide forecasts in connection with the  
24 General Dynamics lease?

25 A. Provide forecasts and provide informational --

1 A. Well, you know, the specifics -- the  
2 specifics -- Let me tell you. The -- The option -- The  
3 option -- The option to go in and expand that property,  
4 it had -- it -- it had been portrayed that we would --  
5 soon after we assume that property, that's base- -- the  
6 existing parking lot on General Dynamics, which at the  
7 time was -- was airport -- airport connection on -- on  
8 the backside, originally with -- Excuse me. Park,  
9 Shuttle & Fly, when it was developed --

10 MS. CHINN: Was what?

11 THE WITNESS: Park, Shuttle & Fly. That's the name  
12 of the parking lot operation --

13 MS. CHINN: Oh, okay.

14 THE WITNESS: -- 1100 spots.

15 We then tried to expand it to 1600 stalls and then  
16 go and extend -- expand it to a permanent 2100 stalls to  
17 meet capacity demands.18 The problem was that as we started getting into the  
19 developments, it hadn't been disclosed at the time that  
20 we would be unable to -- to develop that property  
21 because it -- it had not received a clean closure, a  
22 complete clean closure.23 So I want to say it was only clean to within  
24 40 inches from the surface. But when we started pulling  
25 core samples, because we needed to put some lights and

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1 run some conduit to extend the -- the property, that we  
 2 did not have permission, or it wasn't clean, or it was  
 3 contaminated under that level, so it really rendered its  
 4 usability -- it wasn't usable anymore in the fashion  
 5 that it was originally represented.

6 That's why we haven't -- Although the capacity is  
 7 there -- If you read the paper this week, there was a --  
 8 there was a huge article on the airport needing more  
 9 parking. That parking lot should have been built if it  
 10 was -- you know, if it was as representative --  
 11 represented, we should have had another 1,000 parking  
 12 spaces there probably three years ago.

13 MS. MCDONOUGH:

14 Q. Was there anything that was illegal about the  
 15 General Dynamics lease?

16 A. Well, there's -- there's --

17 MS. CHINN: That's going to call for a legal  
 18 opinion.

19 Answer it if you can.

20 THE WITNESS: Okay.

21 I can't -- There has to be -- There has to be  
 22 something there that would restrict -- that would  
 23 restrict us from overpaying for the property.

24 MS. MCDONOUGH:

25 Q. So the part of the lease that you believe was

1 when I knew. I can't give you an exact date.

2 Q. Did it come to your attention at the time that  
 3 the -- or shortly after the General Dynamics lease had  
 4 been negotiated?

5 A. I believe after that.

6 Let me take it back.

7 I believe that that code was then -- was -- was  
 8 somewhere closer to the time that the subsequent  
 9 Teledyne-Ryan lease was negotiated.

10 Q. And about what time period is that?

11 A. Maybe 2004.

12 Q. That's when you first have a memory of knowing  
 13 about the code section?

14 A. I'm just -- I'm -- I'm estimating, somewhere in  
 15 there.

16 Q. Do you know how you became aware of the Public  
 17 Utilities Code section regarding the General Dynamics  
 18 lease?

19 A. I believe it was published. It was published  
 20 and distributed to Airport Authority personnel.

21 Q. Do you know who distributed it?

22 A. I believe it was sent to me as -- it was sent  
 23 to me from -- from the real estate department since I  
 24 had oversight -- primary oversight for that property.

25 Q. Did you ever tell anyone at the Authority that

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1 illegal was the overpayment.

2 A. The overpayment, absolutely.

3 Q. Are you aware that there is a California code  
 4 section that sets the amount of payments that are  
 5 required under the lease for the General Dynamics  
 6 property?

7 MS. CHINN: Objection. That mischaracterizes the  
 8 statute. And the statute is Public Utilities Code  
 9 Section 170056. Are you familiar with that?

10 THE WITNESS: I -- I don't have that information in  
 11 front of me. I can't -- I -- I can't tell you whether  
 12 that's -- that's the case or not.

13 MS. MCDONOUGH:

14 Q. Are you aware that any California code even  
 15 addresses the Authority's lease of the General Dynamics  
 16 property?

17 A. I believe -- I believe there is a code that  
 18 addresses that, the lease, or -- or -- or ratifies the  
 19 lease payments in there, or to some effect, that calls  
 20 out what the lease payments are going to be for that  
 21 property.

22 Q. When did you first become aware that there was  
 23 such a code?

24 A. After -- You know, it had -- it had come to my  
 25 attention, but I can't tell you exactly when -- when --

1 you thought that the General Dynamics lease was a bad  
 2 idea?

3 A. Oh, absolutely.

4 Q. Who did you tell?

5 A. Ted Sexton.

6 Q. What did you specifically say to Ted Sexton?

7 A. When -- When the deal or the thought of the  
 8 deal was presented, I went to Ted and say, "Ted, I think  
 9 we're" -- "we're paying too much for this property.  
 10 I've looked at" -- "at the revenue analysis through  
 11 there. I know what I can make on parking lot. I know  
 12 what we make on the rental cars. And at the end of the  
 13 day, we're going to end up losing a couple million  
 14 dollars, couple million dollars which is going to come  
 15 out of the general budget, and it's going to affect our  
 16 terminal operations because that's usually where it  
 17 comes out of."

18 Q. Do you remember approximately what year that  
 19 was that you talked to Ted Sexton about the  
 20 General Dynamics lease?

21 A. I know it was -- it was prior to -- to the  
 22 ratification of the agreement because there was already  
 23 some -- there was some thought of -- of what -- what the  
 24 payments were going to be.

25 Q. Do you know when the agreement was ratified for

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<p>1 the General Dynamics property?  2 A. I can't -- I can't tell you a specific date,  3 no.  4 Q. Is there anything that would refresh your  5 recollection?  6 A. No, unless you had the documents in front of  7 you.  8 Q. "The documents" being the agreement?  9 A. Yes.  10 Q. Did you ever talk to anyone else at the  11 Authority about your belief that the General Dynamics  12 lease was too expensive?  13 A. Ted was -- Ted was my direct supervisor, so I  14 brought it to his attention. And we were going to let  15 it go at that and -- where I would bring it to him and  16 hope he understood the ramifications of that.  17 And when we -- he and I discussed it, he had  18 mentioned to me that that's just the price of freedom  19 that Thella was willing to pay, in his exact words.  20 Q. Do you know what he meant by that?  21 A. Yeah. He said he -- I -- I followed up on --  22 on that remark. And Ted said that Thella was willing to  23 overpay for that property so that she didn't have to be  24 under the control of the -- of the Port District on the  25 backside.</p>	<p>Page 394</p> <p>1 Q. And the last time you talked to Ted about the  2 overpayment issues was while the lease was being  3 negotiated?  4 A. Renegotiated, because initially there was a  5 3 million -- there was a 3-year term, and there had been  6 talk commencing again that -- that -- There was a  7 requirement that after three years, that you would then  8 go back through and renegotiate that lease, absolutely.  9 Q. And when did you have those discussions with  10 Ted? Was that in 2005?  11 A. Right around 2005, 2004.  12 But originally we had discussions as -- as the  13 terms of that agreement with the Port District were  14 being discussed. And that information was shared to me.  15 And I would respond to Ted that "I don't believe we can  16 make that type of money."  17 And the -- the basic uses for that property were  18 parking lot, rent-a-car. I knew what the parking lots  19 made. I knew the rent-a-cars made about another million  20 dollars a year. There was no -- There was no other uses  21 for that property -- it's all undeveloped -- with the  22 exception of -- of the parking lot property.  23 We were precluded from expanding that parking lot  24 property because of the contamination issues that were  25 then discovered. So when we would go through -- you</p>
<p>Page 395</p> <p>1 Q. When was the last time that you raised the  2 issue regarding the overpayment on the General Dynamics  3 lease?  4 A. I believe -- I believe we had brought up that  5 point for discussion with -- with Ted through those  6 negotiating periods, hoping he would have a little bit  7 of influence on those.  8 Once -- Once the -- Once it was negotiated, items  9 would come back up -- would come back up again every  10 budget year because there was adjustments that had to be  11 made.  12 I believe, if I remember the term specifically,  13 the -- the initial first year was 4.6 million -- 4.6,  14 4.7 million, in there -- for the General Dynamics lease.  15 Then there was a 2 -- \$2 million escalation, and there  16 was a \$2 million escalation after that, finally  17 terminating at 8.6, 8.7 million dollars.  18 Our inability to go through and -- and make those  19 additional \$2 -- \$2 million incremental came back  20 against our budget.  21 Q. And the lease term began in 2003?  22 A. It's -- The lease terms began a little bit --  23 or -- or commenced a little bit after the Airport  24 Authority was created. So specifically when, I can't  25 tell you the specific date.</p>	<p>Page 395</p> <p>1 know, once that was ratified, then, you know, there's --  2 there's not much I can do. But every budget it would  3 come back up. "Hey, we need to make an adjustment for  4 the \$2 million additional lease payment on the  5 General Dynamics" that would hit -- that would hit all  6 our budgets. So then we would come back through and  7 discuss that matter at that time.  8 Q. So your understanding was that the first three  9 years were set by the code and by the lease agreement,  10 and then after that, it was going to be renegotiated?  11 A. I believe that's correct.  12 Q. Was that part of your job, to analyze the  13 revenues from that property?  14 A. Yes. I was -- I was the primary person  15 responsible for managing that property. I had -- I had  16 direct oversight on the parking lot property. I was the  17 key point of contact with the rent-a-cars, and I was key  18 point of contact with the San Diego Convention Center,  19 which also has a little portion -- which also leases a  20 little portion of that property.  21 So, yes, that was part of my responsibility.  22 Q. Did you ever talk to anyone aside from  23 Ted Sexton about your thoughts on the overpayment of the  24 General Dynamics lease?  25 A. No. I went -- I went straight to -- I went</p>

<p>1 straight to my direct supervisor, Ted Sexton, and hoped  2 that he would -- you know, he would do what he felt was  3 right. But those discussions were -- were with  4 Ted Sexton.  5 Q. Do you know if Ted ever told anyone else at the  6 Authority that you had -- that you thought that the  7 lease on the General Dynamics was too high?  8 A. I can't answer what -- what he may have said or  9 not said.  10 Q. Do you know if the Authority has actually lost  11 money on that General Dynamics lease?  12 A. Absolutely. When you look at -- It is -- It is  13 my understanding that when you look at dollars in,  14 dollars out specific to that property, that we -- we are  15 unable to cover the debt service, I guess, for those  16 leases. When you look at revenue produced versus rents  17 paid, I don't believe that -- that -- I believe that it  18 would be a losing proposition for the Airport Authority.  19 That's my understanding.  20 Q. Was anyone else present when you talked to  21 Ted Sexton about the overpayment on the General Dynamics  22 lease?  23 A. No. That was a conversation that we had --  24 that we had, just him and I as his senior manager and  25 Ted. And that's why at that particular time he</p>	<p>Page 398</p> <p>1 A. He represented himself to me in that manner.  2 And in the same way that -- that I produced revenue  3 forecasts for the General Dynamics, I produced similar  4 revenue forecasts for him -- for him on -- on the  5 Teledyne-Ryan property with him and Vernon.  6 Q. Was there ever a discussion with Bryan Enarson  7 about who would run the Teledyne-Ryan property if the  8 Authority didn't have the lease? Like who might use the  9 property?  10 In other words, if the Authority decided not to  11 enter into the lease for that property, was there ever a  12 discussion about who might use the property instead of  13 the Authority?  14 A. Yeah. There was -- There had been some thought  15 by -- by -- There had been some -- some thought that the  16 Port District would -- would use that property for  17 parking-related services.  18 Q. Did you ever do any sort of an analysis of how  19 much money the Port District would make on the property  20 if it used it instead of the Authority?  21 A. I did some rough analysis; yes, I did.  22 Q. What did you determine?  23 A. I did some rough analysis on what -- you know,  24 what it would be, the cost dollar for dollar, if -- if  25 things kind of remained the same.</p>
<p>1 disclosed to me, you know, Thella's statement. That's  2 just the price she wanted to pay for freedom.  3 Q. Did you ever tell Ted Sexton that you thought  4 that the General Dynamics lease was illegal?  5 A. I -- My conversations with Ted Sexton were that  6 we had paid too much and that I didn't believe it was  7 right or it was in Airport Authority's best interest  8 that we pay those type of rents on the property.  9 Q. You've also alleged in the Complaint in this  10 action that Bryan Enarson negotiated the lease for the  11 Teledyne-Ryan property?  12 A. That's correct.  13 Q. Which property are you referring to?  14 A. Teledyne-Ryan property is located directly west  15 of the air -- airport's commuter terminal on about --  16 on approximately 46.77 acres of the former Teledyne-Ryan  17 property, extending from the employee park lot at the  18 commuter terminal to the coastguard crossing.  19 Q. Just approximately 46 --  20 A. Just approx- --  21 Q. -- point 77 acres?  22 A. -- approximately -- Believe me, I know -- I  23 know that property.  24 Q. Why do you believe that Bryan Enarson  25 negotiated that lease?</p>	<p>Page 399</p> <p>1 I -- I -- I don't have the specific numbers in  2 front of me, so I can't tell you exactly, but there  3 would be -- you know, there would be some loss of  4 revenues.  5 Q. You determined that the Authority would lose  6 revenue if it didn't use the -- if it didn't obtain the  7 Teledyne-Ryan property?  8 A. There would be -- The -- The request was, "If  9 they opened up this parking lot here, what would you  10 think the forecasts were in terms of" -- "of dollars?"  11 You know, "What do you think they would make on the  12 property, and then what would be the effect on" -- "on  13 Airport Authority parking lots if that was the case?"  14 Q. And what did you determine the effect would be  15 on Airport Authority parking lots if the Port operated  16 the Teledyne-Ryan property?  17 A. It would be -- There would be a little bit of a  18 loss, or there would be some loss or translation of loss  19 at that time. I -- I don't remember what the documents  20 were because it was, you know, two, three years ago.  21 But if you have them there, I'd be happy to explain it  22 for you.  23 Q. Okay.  24 We'll mark as Exhibit 16 --  25 A. Okay.</p>

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<p>1 for alternative use; warehouse space, additional office  2 space, or other uses that might be developed.  3 Q. Okay.  4 At the time that the Authority entered into the  5 lease, did you have any information to suggest that the  6 items that you just identified -- Strike that.  7 At the time that the Authority entered into the  8 lease, did you have any information to suggest that the  9 Authority would not be able to do what it intended to do  10 with the property as you just described?  11 A. There had been -- There had been conversations  12 that -- that the project may not be able to move forward  13 because the amount of contamination -- the amount of  14 contamination that had a good chance of existing on the  15 property.  16 Q. When did discussions regarding the amount of  17 contamination first arise, from your understanding?  18 A. I believe those discussions were already -- had  19 already been -- had already been made public as part of  20 the initial settlements with -- with Teledyne-Ryan, or  21 there had been some thoughts that -- that it was  22 contaminated in there and -- that there was  23 contamination to the property. I don't exactly know  24 what days.  25 Q. Did you ever speak to anyone about the </p>	<p>Page 406</p> <p>1 point that when the document was all said and done, it  2 was pretty close to \$30 million in remediation costs.  3 Q. Did you think that anything was illegal about  4 the Teledyne-Ryan lease?  5 A. I believe that that -- considering the  6 usability, that -- the -- the -- our ability to use the  7 property, that we had overpaid for the property.  8 Q. When did you form that belief?  9 A. Immediately as we were developing -- as we were  10 developing the -- the design documents for the Phase I  11 of -- of what's called SAN Park -- SAN Park Harbor  12 Drive, which is approximately a 350-space parking lot.  13 Q. And when was that?  14 A. 2- -- Approximately 2000, late 2003, 2004.  15 Q. What do you believe is illegal about overpaying  16 on a lease?  17 A. It's -- You and I can do it as individuals  18 maybe. But, you know, as a public entity, we -- as a  19 public entity, you make -- need to make sure that --  20 that what you pay you can get out of because we have --  21 it's not just Airport Authority funds; it's -- it's  22 airline funds. It's -- There's more stakeholders in  23 this, and there's some due diligence or proper due  24 diligence that must be followed when you agree to enter  25 into an extended -- extended lease in this manner. </p>
<p>1 contamination in the property at the time that the  2 Authority was entering into the lease?  3 A. No. It was my assumption -- It was -- It was  4 my assumption at that time that -- that the Airport  5 Authority would have good sense to follow up on -- on  6 those on their own.  7 Q. Have you ever, at any time, talked about the  8 contamination of the property with anyone at the  9 Authority?  10 A. Oh, absolutely.  11 Q. When did you first talk to someone about that?  12 A. Once -- Once the determination was made. When  13 the Airport Authority assumed that property, we did --  14 the Airport Authority staff had -- had put together some  15 staff members to start looking at immediate uses for the  16 property.  17 Even -- Even taking a little carve-out, which is  18 about four -- four or five acres, for 350 stalls, we  19 encountered severe environmental issues that restricted  20 our ability to -- to -- to go in and construct that  21 parking lot.  22 And then as we started going into the  23 Teledyne-Ryan -- we put together a Teledyne-Ryan  24 redevelopment plan, we started noticing more and more  25 and more and more environmental concerns to the </p>	<p>Page 407</p> <p>1 Q. Do you believe that the Authority did not do  2 its due diligence?  3 A. I believe the Airport Authority grossly  4 underestimated -- underestimated the amount of contamination  5 on that property and the amount of litigation that it  6 would take to clean up that property.  7 Q. Do you know what efforts the Authority made to  8 determine the contamination on the property prior to  9 entering into the lease?  10 A. It -- It was represented in this manner: The  11 Airport Authority had taken as face value any reports  12 that the Port District may have produced, which  13 obviously, at the end of the day, ended up being grossly  14 underestimated. So we just assumed the documents that  15 the Port District had given us were -- were correct, and  16 we did not -- we did not do our own due diligence to  17 get -- get our own counter-number to -- to what was  18 presented to us by -- by the Port District.  19 Q. Who told you that the Airport Authority had  20 taken the Port District's representations at face value?  21 A. It was -- It -- It had been -- I -- I don't  22 remember exactly who it was. I -- I -- I can't give you  23 specifics of who it was. It was just -- It was just  24 portrayed to me that that's what had happened. We  25 did -- what had happened. And as we started to get into </p>

<p>1 doing our own environmental assessments on the property,  2 those numbers greatly shot through the roof.  3 Q. Did you ever tell anyone at the Authority that  4 you thought that the Teledyne-Ryan lease was illegal or  5 unlawful?  6 A. I believe my conversations with Ted -- with  7 Ted Sexton -- once again, my immediate supervisor -- was  8 that we had overpaid for the property, and the property  9 may have been mischaracterized to us and that -- that it  10 could not be developed in -- in the manner in which we  11 had initially thought we could.  12 Q. When did you first have that conversation with  13 Ted Sexton?  14 A. Immediately after we start -- Immediately as  15 we began to make the -- to -- to make the designs for  16 the SAN Park project.  17 Q. Was that the only conversation you had with Ted  18 about overpayment on the Teledyne-Ryan property?  19 A. No. We had -- We had continuing conversations  20 with them because I had presented to him an option or  21 trying to understand why it is that we would continue to  22 pay \$3 million for the whole property when I can only  23 use, you know, five acres of it. Why weren't we -- Why  24 didn't we have the ability to prorate -- to prorate, and  25 then, as we expanded into additional areas, then go</p>	<p>Page 410  1 can use it for, what we can't, how much revenue we  2 really can get out of it, yes, that's when -- when it  3 was disclosed to the group or when we disclosed to the  4 group that "We just can't" -- "We can't develop the  5 Phase II, the Teledyne-Ryan. Here's what it's going to  6 cost to mitigate those areas," yes, at that time.  7 Q. And who disclosed that to the group?  8 A. And then I -- I made those disclosure because  9 it was part of -- it was part of my area of  10 responsibility. The number 1 focus for that property  11 was to expand the parking properties. If we were able  12 to expand the parking properties and create those 1100  13 spaces in there in a way -- in a way where it was -- it  14 was slow growth so it didn't impact our own airport  15 parking lots, that -- that we would have the ability to  16 pay for the rest of the property by -- by construction  17 of -- by constructing that parking facility.  18 Q. Who is the group that you made this disclosure  19 to?  20 A. It would be the Teledyne-Ryan Redevelopment  21 Plan -- or Redevelopment Committee.  22 Q. Do you know who was on that committee?  23 A. No. I don't have the exact individuals. It  24 was -- It was a cross-section -- cross-section of  25 individuals from -- from real estate, from</p>
<p>1 ahead and increase our -- our rent payments to them in  2 that manner.  3 Q. Did Ted Sexton ever respond to your statements  4 regarding the overpayment of the lease?  5 A. No, not specific. He said he would just  6 present that to his senior team and see what it is that  7 they wanted to do.  8 Q. Do you know if he ever presented it to the  9 senior team?  10 A. I -- I -- I couldn't tell you.  11 Q. Do you know if Ted Sexton ever told anyone that  12 you thought that the Authority overpaid on the  13 Teledyne-Ryan lease?  14 A. I believe -- I believe we had had that  15 conversation before. Who was there or -- Who was there  16 and what was said I can't -- can't exactly tell you.  17 But understanding the usability and what we paid for  18 that property, the statements were made that "We're just  19 paying too much for the property."  20 Q. So do you know if anyone else at the Authority,  21 aside from Ted Sexton, knows that you think that the  22 Teledyne-Ryan property was overpaid for?  23 A. Yeah. When we went through -- When we went  24 through and started doing our redevelopment, the  25 Teledyne-Ryan redevelopment plan, the usability, what we</p>	<p>Page 411  1 environmental, construction, and obviously my side, the  2 landside operations.  3 Q. Do you remember when this disclosure was?  4 A. No, I don't.  5 Q. Do you remember the year?  6 A. It was early on -- early on in the development,  7 in the design development, for -- for the parking, for  8 the initial Phase I of the Teledyne-Ryan parking  9 project.  10 Q. In 2004 sometime?  11 A. That would probably -- That would probably be a  12 good guess.  13 Q. How long was the meeting where you presented  14 your findings?  15 A. We would meet on a weekly basis, so it was  16 about a two-hour meeting.  17 Q. On a weekly basis?  18 A. Yes.  19 Q. Do you know if anyone took notes of those  20 meetings?  21 A. I'm not sure.  22 Q. Did anyone else in the meeting express  23 dissatisfaction with the terms of the Teledyne-Ryan  24 lease?  25 A. It was more dissatisfaction with -- with the</p>

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<p>1 Airport Authority's lack of due diligence in -- in 2 understanding the -- the effects of -- for the 3 contamination of that property. 4 Q. Who expressed that dissatisfaction? 5 A. It would be Paul Manasjan, who was tasked -- 6 Paul Manasjan was the director of Environmental Affairs, 7 and Paul was tasked with -- with making each and all 8 those environmental assessments. 9 Q. Is there anyone else who expressed 10 dissatisfaction with the Teledyne-Ryan lease in those 11 meetings? 12 A. Primarily it was -- it was myself on the 13 revenue side and my inability to be able to expand to 14 those projects, and on Paul Manasjan's side for an 15 underestimation of -- of -- of the environmental 16 mitigation that had to take place on the property. 17 Q. Is it fair to say at a certain point in time 18 that the whole committee was frustrated with the 19 Teledyne-Ryan lease? 20 A. Oh, absolutely. 21 Q. When did that frustration begin? 22 A. Well, the frustration came to a -- a pretty big 23 head when -- when the initial plan for Teledyne-Ryan was 24 presented to the senior -- senior VP group at a meeting 25 at the Sheraton -- Sheraton Harbor Island where each --</p>	<p>Page 414</p> <p>1 chaired that committee, and there should be minutes 2 somewhere of -- of the information that was disclosed at 3 that time. 4 Q. Do you know who took minutes? 5 A. No, I don't. 6 Q. Were there other people at the Authority that 7 you're aware of outside of the committee that thought 8 that the Authority had overpaid on the Teledyne-Ryan 9 lease? 10 A. No, because this -- the -- the development of 11 the redevelopment plan was really just the concern at 12 that particular time of that -- our particular core 13 group, the -- the task force in there. And that -- 14 that's where those disclosures came at that time. And 15 then they were made -- they were made then public too. 16 They were made then because they were all 17 non-public meetings. They were disclosed to the senior 18 VP group. So there was just a -- a smaller group that 19 was involved in -- in -- in those redevelopment plans. 20 Q. And after the conclusions were revealed to the 21 senior VP group, did you ever hear anyone at the 22 Authority complain about the Teledyne-Ryan lease? 23 A. Other than myself? 24 Q. Yes. 25 A. No. I -- I was -- I was a -- a -- I was an</p>
<p>1 each member of the task -- of the task force went 2 through and made a presentation on -- on their areas of 3 responsibility so we can give the VPs -- the vice 4 presidents a thorough idea of the property, potential 5 uses, lease rates in those. 6 And, you know, I would talk -- I would talk to the 7 effect of -- of existing parking operations and what the 8 effects or what would need to be happen -- or what would 9 need to happen to expand those and what those would look 10 like when Paul Manasjan would go through, and he finally 11 disclosed what -- what he believed at that time was the 12 full effect of -- full effect of the environmental 13 impact would be closer to \$30 million than what it was 14 initially assumed at \$10 million. 15 Q. Do you remember when that meeting was at the 16 Sheraton -- 17 A. No, I don't. 18 Q. -- Harbor Island? 19 A. I know we had two presentations to -- to the 20 senior VP group, but it was whatever that first one was. 21 It'd be 2004 or 2005. Not -- Not exactly sure what day 22 there. 23 Q. Did both you and Paul speak at the 24 presentation? 25 A. Yes. That -- Then -- That Steve Cornell</p>	<p>Page 415</p> <p>1 opponent to that because what I didn't understand -- -- 2 Once again, because it affected my budget in the 3 terminal operations side or on the landside, and it 4 affected my ability to -- to provide services within the 5 terminals, I was -- I was a vocal opponent of those 6 because not only -- not only did -- was I coupled with 7 overpayment on the General Dynamics side, now you got to 8 add that up with the overpayment on -- on -- on the 9 Teledyne-Ryan. And now we're in the hole somewhere 10 between 3 to \$4 million a year -- 11 Q. When was -- 12 A. -- on overpayment on two -- two service 13 agreements -- or two leases. 14 Q. When was the last time that you opposed the 15 terms of the Teledyne-Ryan lease? 16 A. I know it was on a continuing basis every time 17 that we would come through or from -- Probably -- 18 Probably at least once every other week as we presented 19 the -- the continuation or we presented our current 20 development plans for the -- the Teledyne-Ryan, there 21 was a big push to try to get the parking properties in, 22 to try to mitigate our cost. 23 The problem was we couldn't do it. It was too 24 expensive. And then having -- go through the process, 25 having go through their environmental assessments,</p>

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<p>1 environmental remediations, those -- those -- those  2 properties -- it would be easy to say that -- that we  3 did not -- the Airport Authority did not -- Entering  4 into a 66-year agreement for \$3 million a year, you  5 know, that's almost \$200 million.</p> <p>6 You -- You would think someone would have put more  7 effort into -- into really understanding the  8 environmental -- the environmental concerns with that  9 property. That's a \$2 million commitment -- a \$200  10 million commitment.</p> <p>11 Q. When was the last --</p> <p>12 THE VIDEOGRAPHER: Excuse me, Counsel.</p> <p>13 MS. MCDONOUGH: Oh. We have to change the tape.</p> <p>14 THE VIDEOGRAPHER: This is the end of Videotape  15 Number 2, Volume II. Off the record at 4:05 p.m.</p> <p>16 (A recess is taken.)</p> <p>17 THE VIDEOGRAPHER: This is the beginning of  18 Videotape Number 3, Volume II.</p> <p>19 Back on the record at 4:12.</p> <p>20 MS. MCDONOUGH:</p> <p>21 Q. You mentioned that the Teledyne-Ryan lease was  22 a 66-year lease; is that correct?</p> <p>23 A. Approximately. Right in that range, 66 years.</p> <p>24 Q. And was the amount of the lease on an annual  25 basis consistent throughout the term of the lease?</p>	<p>Page 418</p> <p>1 presented bring in a revenue in excess of \$3 million per  2 year?</p> <p>3 A. They would go through -- He had come through  4 and presented some options of what they were, but just  5 some -- some rough numbers of potential revenue streams.</p> <p>6 And I don't quite remember whether there was some  7 initial options on what it would cost to get those. And  8 then there was no definite assumption of -- of building  9 in the -- building in the \$30 million for remediation.</p> <p>10 Q. But assuming that the contamination was gone  11 and any one of Tom Morgan's ideas was implemented for  12 use of the property, would there have been some sort of  13 income or revenue from that property?</p> <p>14 A. There was -- There was ideas that were  15 presented -- that -- that were presented for the  16 property -- and I don't have those numbers in front of  17 me -- that may.</p> <p>18 But as -- But there were some ideas that were  19 presented that, knowing how you were going to build, you  20 were not going to build parking structures along Harbor  21 Drive. You were not going to knock the whole property  22 down, which was one of his options, and make a big --</p> <p>23 THE REPORTER: I'm sorry.</p> <p>24 THE WITNESS: -- parking lot.</p> <p>25 THE REPORTER: "You're not going to build" -- "you</p>
<p>1 A. Believe -- I -- I believe if I -- if I -- I  2 believe it was about \$3 million as you go through.</p> <p>3 Q. So \$3 million per year for 66 years?</p> <p>4 A. As you go through, yes.</p> <p>5 Q. That never increased over time?</p> <p>6 A. I'm -- I'm not sure of the specifics or what  7 escalator clauses they had. My general assumption it  8 was approximately \$3 million a year.</p> <p>9 Q. Did Tom Morgan ever present options for how the  10 Teledyne-Ryan property could be used once the  11 contamination's cleaned up?</p> <p>12 A. Yes. Tom Morgan was hired as -- as a  13 consultant to come up with ideas and maybe some revenue  14 forecast or development options, yes.</p> <p>15 Q. What kind of ideas did he come up with for uses  16 of the property?</p> <p>17 A. Parking.</p> <p>18 Q. All parking?</p> <p>19 A. There was a lot of parking in there, and there  20 were uses for -- there was uses for -- for office space,  21 maybe some FBOs, fixed-base operators, charter  22 operations on the backside, some warehouse storage  23 space, maybe some cargo facilities to be used in there  24 as well.</p> <p>25 Q. Would each of the options that Tom Morgan</p>	<p>Page 419</p> <p>1 were not going to build" --</p> <p>2 THE WITNESS: Parking garages.</p> <p>3 THE REPORTER: -- "parking structures along" --</p> <p>4 THE WITNESS: "Along Harbor Drive."</p> <p>5 You were not going to demolish all the properties  6 and pave it into one big parking lot.</p> <p>7 So there were options presented. At the end of the  8 day, believe it or not, the option that made the highest  9 amount of revenue was demoing the whole building down  10 and just making the 46.77 acres and making it one big  11 parking lot.</p> <p>12 MS. MCDONOUGH:</p> <p>13 Q. Assuming that the contamination was eventually  14 cleaned up, would that option of building an entire  15 parking lot over the entire acreage have produced  16 revenue for the Authority?</p> <p>17 A. In general concept you could, but it was -- but  18 it was immediately understood that we would not be able  19 to get approval to build such a -- such a facility.</p> <p>20 Q. Why did you believe you would not be able to  21 get approval to build a facility?</p> <p>22 A. Because the environmental -- environmental,  23 the -- the impact on Harbor Drive, there was just too  24 many -- too many nonstarters to even contemplate that  25 as -- as -- as an option.</p>

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<p>1 Q. What were the nonstarters?</p> <p>2 A. Environmental, your remediation, your impacts,</p> <p>3 your traffic on Harbor Drive, the -- Those are just some</p> <p>4 of the general ones. And public perception of -- of</p> <p>5 paving, of creating such a big parking lot along such a</p> <p>6 scenic area of Harbor Drive.</p> <p>7 Q. So assume that the contamination was gone from</p> <p>8 that property. Were there any proposed uses of the</p> <p>9 property that could have been implemented?</p> <p>10 A. There was -- It had reached -- It had reached</p> <p>11 to a point that -- that Tom Morgan had presented the</p> <p>12 options that he could. But it was an understanding that</p> <p>13 because of the increase in the environmental, that first</p> <p>14 environmental would have to be remediated, and then they</p> <p>15 would visit those development options later.</p> <p>16 If my timing serves me correct, after the</p> <p>17 disclosure of these environmental, Tom Morgan's</p> <p>18 consulting agreement was terminated or ceased, or maybe</p> <p>19 it coincided with his initials -- whatever his term was</p> <p>20 because I've never seen his terms of his consulting</p> <p>21 agreement.</p> <p>22 Q. Are you aware of a cleanup and abatement order</p> <p>23 for the property?</p> <p>24 A. Yes.</p> <p>25 Q. What do you know about that order?</p>	<p>Page 422</p> <p>1 Q. You believe that other entities aside from</p> <p>2 Teledyne-Ryan are responsible for cleaning that up?</p> <p>3 A. I believe so.</p> <p>4 Q. And you have that belief from the discussions</p> <p>5 in your committee?</p> <p>6 A. Yes, my understanding of -- of -- of -- of</p> <p>7 those documents or those requests.</p> <p>8 Q. Have you ever seen a cleanup and abatement</p> <p>9 order for the property?</p> <p>10 A. I have not.</p> <p>11 Q. When did you first become aware that there was</p> <p>12 a cleanup and abatement order?</p> <p>13 A. Paul Manasjan had -- had -- had briefed that</p> <p>14 cleanup and abatement to -- to us -- to -- to staff in</p> <p>15 one of Ted's weekly meetings.</p> <p>16 Q. Are you aware of a settlement agreement that</p> <p>17 the Port District entered into regarding the</p> <p>18 contamination of the property?</p> <p>19 A. Yeah. The initial settlement then only</p> <p>20 required them to pay, you know, maybe \$10 million. And</p> <p>21 that -- that is why I referred to their initial</p> <p>22 settlement for 10 million when in fact the -- the cost</p> <p>23 for remediation is -- is \$30 million.</p> <p>24 And then there's -- there's clauses within our</p> <p>25 agreement that -- that requires the Airport Authority to</p>
<p>1 A. That it was just -- There was just some</p> <p>2 requirements now that drag the Airport Authority into</p> <p>3 being part of -- or -- or being responsible in some sort</p> <p>4 of fashion to a certain degree to go ahead and clean</p> <p>5 up -- clean up those -- that property.</p> <p>6 Q. Are you aware of a cleanup and abatement order</p> <p>7 that required Teledyne-Ryan to clean up the aboveground</p> <p>8 contamination?</p> <p>9 A. I believe that -- I -- I believe there is</p> <p>10 something, but to -- to -- to what effect, I'm not --</p> <p>11 I'm not -- I'm not sure if it's just specific to</p> <p>12 Teledyne-Ryan and only them and they are responsible for</p> <p>13 that. I don't believe that's the case.</p> <p>14 Q. Who do you believe is also responsible for it?</p> <p>15 A. I believe that -- that in the conversations</p> <p>16 that we had with -- with -- with Paul Manasjan, that the</p> <p>17 Airport Authority now had some responsibility for -- you</p> <p>18 know, for mediation of that property, the Port</p> <p>19 District -- Port District, Teledyne-Ryan, Allegheny.</p> <p>20 There was -- There was more than -- than one particular</p> <p>21 party who was responsible for that cleanup and</p> <p>22 abatement.</p> <p>23 Q. I'm just focusing right now on the aboveground</p> <p>24 contamination.</p> <p>25 A. Mm-hmm.</p>	<p>Page 423</p> <p>1 pay some sort of portion of those remediation cost above</p> <p>2 and beyond that \$10 million.</p> <p>3 Q. How many different -- Well, strike that.</p> <p>4 Are you aware that there's a cleanup and abatement</p> <p>5 order and a settlement agreement that are two separate</p> <p>6 documents?</p> <p>7 A. I believe they are. The specifics to each</p> <p>8 of -- one of them I -- I can't tell you. I haven't -- I</p> <p>9 haven't studied them enough to know -- to know what they</p> <p>10 are and -- and understand the -- the liability now as I</p> <p>11 stand here before.</p> <p>12 Q. Was there ever a time where you understood who</p> <p>13 had to pay for what cleanup under the cleanup and</p> <p>14 abatement order and the settlement agreement?</p> <p>15 A. I believe -- I believe during the time I had a</p> <p>16 better understanding of that documentation as I was</p> <p>17 going through the developing options for the parking</p> <p>18 lots and as -- as the project estimate came through and</p> <p>19 said, "This is what it's going to cost. This is</p> <p>20 what" -- I tell you that just on expanding the 350</p> <p>21 stalls that I had on SAN Park bringing them to 11-, we</p> <p>22 were going to blow by that \$10 million.</p> <p>23 Q. You indicated previously, I believe, that the</p> <p>24 estimate was \$30 million to clean up the property; is</p> <p>25 that correct?</p> <p>Page 425</p>

1 A. That was a -- That was a -- a rough number that  
 2 we had -- that we had been using as, you know, cost  
 3 for -- for remediation on that property.

4 Q. And you believe that under one of these orders  
 5 or agreements, that the Port District had to pay for at  
 6 least \$10 million of that --

7 A. There was --

8 Q. -- cleanup?

9 A. -- some thought in there, and that's why I  
 10 don't -- I don't recall the specifics to that agreement,  
 11 but it -- it calls for, you know, some settlement that  
 12 was given, some lump sum payment, but then the  
 13 Airport Authority being responsible for portions above  
 14 that 10 million.

15 Q. Have you ever heard that the Port District is  
 16 required to pay 50 percent of the cleanup?

17 A. Above that \$10 million. Yeah, I -- I believe  
 18 that was my understanding, as I -- as I said before, and  
 19 then the Airport Authority the other -- the other  
 20 10 million.

21 Q. So you think --

22 A. The other -- The other -- It was 10 million;  
 23 and then above that 10 million, Airport Authority. And  
 24 the Airport Authority and the Port District would --  
 25 would split those remediations costs.

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1 it would cost to mitigate that property and the amount  
 2 of time that it would cost them to get through that  
 3 whole process.

4 Q. Did Tom Morgan ever present projected revenues  
 5 to your committee?

6 A. I believe he did. In fact, those same -- those  
 7 same revenues were -- were put together in some sort of  
 8 presentation that -- that he distributed to the group.

9 Q. Do you remember what his projected revenues  
 10 were for the Teledyne-Ryan property?

11 A. No, I don't.

12 Q. Do you have an estimate?

13 A. No, I don't.

14 Q. But that was presented in some sort of a  
 15 document or a PowerPoint presentation?

16 A. Some sort of document and -- on development  
 17 options for the Teledyne-Ryan.

18 Q. When did you receive that document?

19 A. Maybe 2004 or 2005.

20 MS. MCDONOUGH: We'll go ahead and conclude the  
 21 deposition for today. I'm not done, once again, with  
 22 your deposition. We're just suspending the proceedings  
 23 until tomorrow at 9:30 in the morning.

24 We'll enter the same stipulation as yesterday,  
 25 Cathryn?

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1 Q. Okay.

2 So assuming that it was 30 million total, the  
 3 Port District would take the first 10 million, and then  
 4 the Port and the Authority would split the other  
 5 20 million?

6 A. Yeah. But even that's an overcharacterization  
 7 of that because the Airport -- the Port District had the  
 8 abilities within that \$10 million to expense or to  
 9 recover expenses that they had incurred, or loss of  
 10 revenues against that \$10 million. So it wasn't a clean  
 11 \$10 million that were available, my understanding of  
 12 that documentation.

13 Q. What was your understanding of Tom Morgan's  
 14 projected revenue for the property once the  
 15 contamination was cleaned up?

16 A. You know, there was -- there was some -- there  
 17 were some development options over there, some -- some  
 18 decent ideas. A lot of it was really centered on  
 19 parking because how -- that's really how you were going  
 20 to make your money on these projects.

21 But once again, the thought of how long it would  
 22 take you to build these things because of environmental  
 23 concerns was -- was -- was a big nonstarter. I mean,  
 24 we -- quite frankly, the Airport Authority  
 25 underestimated the amount of time -- the amount of money

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1 MS. CHINN: Yes.

2 MS. MCDONOUGH: And I will send that to you -- the  
 3 other court reporter so she has it.

4 THE VIDEOGRAPHER: Off the record at 4:25.

5 (By instruction of counsel, the reporter has  
 6 redacted the following stipulation from the deposition  
 7 of JOSE HERNANDEZ, Volume I, as reproduced below:

8 MS. MCDONOUGH: We agree that the court reporter  
 9 will prepare a transcript of today's proceedings. She  
 10 will send a copy -- or the original of the transcript to  
 11 Ms. Chinn. Ms. Chinn will give it to Mr. Hernandez, and  
 12 he will have 30 days to review the transcript and to  
 13 make any changes, sign it under penalty of perjury.

14 Ms. Chinn agrees to notify our office of  
 15 Mr. Hernandez's signature of the transcript and to  
 16 notify us of any changes that are made to the transcript  
 17 within that 30-day period.

18 In the event that the original transcript is lost or  
 19 destroyed, we agree that a certified copy may be used in  
 20 lieu thereof. And Ms. Chinn agrees to make the original  
 21 transcript available at any proceeding upon reasonable  
 22 notice.

23 MS. CHINN: He'll make the corrections 30 days  
 24 after the receipt of the transcript. Otherwise, so  
 25 stipulated.)

51 (Pages 426 to 429)

HERNANDEZ vs. SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

December 19, 2006

JOSE DE JESUS HERNANDEZ, VOL. II

1 (Whereupon the documents referred to are marked by  
2 the reporter as Defense Exhibits 8 through 16 for  
3 identification.)

4 (The proceedings concluded at 4:25 p.m.)  
5 \*\*\*

6

7 I declare under penalty of perjury under the laws  
8 of the State of California that the foregoing is true  
9 and correct.

10

11 Executed at \_\_\_\_\_, California,  
12 on \_\_\_\_\_.

13

14

15

16 JOSE DE JESUS HERNANDEZ  
17  
18  
19  
20  
21  
22  
23  
24  
25

1 STATE OF CALIFORNIA ) ss

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2  
3 I, Suzanne Soper, CSR 8120, do hereby declare:

4  
5 That, prior to being examined, the witness named in  
6 the foregoing deposition was by me duly sworn pursuant  
7 to Section 2093(b) and 2094 of the Code of Civil  
8 Procedure;

9  
10 That said deposition was taken down by me in  
11 shorthand at the time and place therein named and  
12 thereafter reduced to text under my direction.

13  
14 I further declare that I have no interest in the  
15 event of the action.

16  
17 I declare under penalty of perjury under the laws  
18 of the State of California that the foregoing is true  
19 and correct.

20  
21 WITNESS my hand this \_\_\_\_\_ day of  
22 January, 2007.

23

24

25 Suzanne Soper, CSR 8120

52 (Pages 430 to 431)

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**Deposition of  
JOSE HERNANDEZ, VOL. III**

**JOSE HERNANDEZ v. SAN DIEGO COUNTY**

*Taken On  
January 15, 2007*

**Transcript provided by:**

**HUTCHINGS<sup>SM</sup>**  
COURT REPORTERS, LLC  
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JOSE HERNANDEZ vs. SAN DIEGO COUN.

January 15, 2007

JOSE HERNANDEZ, VOL. III

<p>1 CERTIFIED COPY  2 SUPERIOR COURT OF THE STATE OF CALIFORNIA  3 FOR THE COUNTY OF SAN DIEGO  4 JOSE HERNANDEZ, )  5 Plaintiff, )  6 vs. ) No. GIC871979  7 SAN DIEGO COUNTY REGIONAL AIRPORT )  8 AUTHORITY, a public entity, and )  9 DOES 1 through 12 inclusive, )  10 Defendants. )  11  12 VOLUME III  13 DEPOSITION OF JOSE DE JESUS HERNANDEZ, the  14 plaintiff herein, noticed by PAUL, PLEVIN,  15 SULLIVAN &amp; CONNAUGHTON LLP, at 401 B Street,  16 San Diego, California, at 9:52 a.m., on Wednesday,  17 December 20, 2006, before Della M. Satterlee,  18 CSR 9114.  19  20 Hutchings Number 147265-SD  21  22  23  24  25 </p>	<p>1 IN D E X  2 WITNESS: JOSE DE JESUS HERNANDEZ  3 EXAMINATION BY: PAGE  4 Ms. McDonough 436  5  6  7 EXHIBITS  8 Exhibit Identification within the transcript is flagged  9 with "[EXH]" as an identifier.  10 DEFENSE DESCRIPTION IDENTIFIED MARKED  11 17 San Diego Unified Port 439 439  12 District Lease to San Diego  13 County Regional Airport  14 Authority of Property  15 Located at 2701 North Harbor  16 Drive, San Diego, California  17 for Sixty-Four (64) Years  18 Commencing January 1, 2005  19 and Ending December 31, 2068  20 [EXH-17]  21  22 18 Cleanup and Abatement Order 449 449  23 17 No. R9-2004-0258 for  24 Discharges of Waste From  25 18 2701 North Harbor Drive In  San Diego, California  [EXH-18]  20 19 Evaluation Panel, Parking 485 485  21 Lot Management RPF  [EXH-19]  22 20 Collection of two Use and 584 585  Occupancy Permits for Elite  23 Racing  [EXH-20]  24  25 </p>
<p>1 APPEARANCES OF COUNSEL:  2  3 For Plaintiff:  4 LAW OFFICE OF CATHRYN CHINN  5 BY CATHRYN CHINN  6 3990 Old Town Avenue, Suite A-109  7 San Diego, California 92110  8  9 For Defendant SAN DIEGO COUNTY REGIONAL AIRPORT  10 AUTHORITY:  11 PAUL, PLEVIN, SULLIVAN &amp; CONNAUGHTON LLP  12 BY SANDRA L. McDONOUGH  13 401 B Street, 10th Floor  14 San Diego, California 92101  15  16 For Defendant SAN DIEGO COUNTY REGIONAL AIRPORT  17 AUTHORITY:  18 AMY GONZALEZ, Senior Assistant General Counsel  19 P.O. Box 82776  20 San Diego, California 92138-2776  21  22 Also Present: GORDON MILLER, Video Operator  23  24  25 </p>	<p>Page 433</p> <p>1 VIDEO OPERATOR: Good morning. Here begins  2 Videotape Number 1 of the deposition of Jose Hernandez,  3 Volume III, in the matter of Hernandez versus San Diego  4 County Regional Airport Authority, et al., Case Number  5 GIC871979. The case is in the Superior Court of the  6 State of California for the County of San Diego.  7 Today's date is December 20th, 2006, and the time  8 is 9:52 a.m. This deposition is taking place at  9 401 B Street, San Diego, California and is being taken  10 on behalf of the defendant. The videographer is Gordon  11 Miller appearing on behalf of Hutchings Court Reporters  12 located in San Diego, California.  13 Would Counsel please identify yourselves and state  14 whom you represent.  15 MS. CHINN: Cathryn Chinn, C-H-I-N-N, for the  16 plaintiff, Jose Hernandez.  17 MS. McDONOUGH: Sandra McDonough for defendant.  18 MS. GONZALEZ: Amy Gonzalez for defendant.  19 VIDEO OPERATOR: Thank you.  20 Would the court reporter please swear in the  21 witness.  22 (Continued on following page.)  23  24  25 </p>

1 (Pages 432 to 435)

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JOSE HERNANDEZ vs. SAN DIEGO COUNTY

January 15, 2007

JOSE HERNANDEZ, VOL. III

<p>1                   JOSE DE JESUS HERNANDEZ,  2 the plaintiff herein, having been sworn, testifies as  3 follows:</p> <p>4</p> <p>5                   -EXAMINATION-</p> <p>6</p> <p>7                   BY MS. McDONOUGH:</p> <p>8                   Q. Good morning, Mr. Hernandez.</p> <p>9                   A. Good morning.</p> <p>10                  Q. Is there any reason why you cannot give your  11 best testimony today?</p> <p>12                  A. No.</p> <p>13                  Q. Have you taken any medication or alcohol in the  14 last 24 hours that would adversely affect your ability  15 to testify today?</p> <p>16                  A. No.</p> <p>17                  Q. When we finished up yesterday, we were talking  18 about the Teledyne Ryan property and the Authority's  19 lease for that property.</p> <p>20                  Do you recall that?</p> <p>21                  A. Yes, ma'am.</p> <p>22                  Q. Are you aware that the Port District was  23 engaged in litigation with Teledyne Ryan over that  24 property?</p> <p>25                  A. Some knowledge.</p>	<p>Page 436</p> <p>1                   or not the split would -- between the Port and the  2 Airport Authority would only occur if Teledyne Ryan  3 could not pay the cleanup costs?</p> <p>4                   A. No, I'm not -- I'm not sure of -- I'm not sure  5 of that language in that documentation.</p> <p>6                   Q. Have you actually read the documentation  7 regarding the split?</p> <p>8                   A. I had read the documentation at one time, but  9 not -- not recently.</p> <p>10                  Q. As we sit here today, do you have any way to  11 recall what was in the agreement regarding the split of  12 who would pay for what?</p> <p>13                  A. Not specifically, no.</p> <p>14                  Q. Is there anything that would refresh your  15 recollection on that?</p> <p>16                  A. Only the ability to read the documentation.</p> <p>17                  Q. And what documentation are you referring to?</p> <p>18                  A. There -- There must be some sort of settlement  19 document in there and then some memorandums produced by  20 the Airport Authority to the board members discussing  21 what exactly those costs were, the total remediation  22 costs, the full effect of those remediation costs to  23 Airport Authority budget.</p> <p>24                  Q. Okay.</p> <p>25                  I'm going to mark as Exhibit 16 -- that would be</p>
<p>1                   Q. What knowledge do you have of that?</p> <p>2                   A. Some knowledge that Teledyne Ryan -- that the  3 Port District was trying to recover lost rents on the  4 property from -- from Teledyne Ryan.</p> <p>5                   Q. Are you aware that the Port District obtained a  6 judgment -- obtained a judgment against Teledyne Ryan for  7 over \$21 million?</p> <p>8                   A. I believe I was, yes, ma'am.</p> <p>9                   Q. Are you aware that out of that judgment, that  10 approximately 9.7 or \$9.8 million was to go from the  11 Port to the Authority for demolition on that Teledyne  12 Ryan property?</p> <p>13                  A. I believe a portion of that, not all of the  14 9.7 million.</p> <p>15                  Q. What portion do you believe was to go towards  16 that?</p> <p>17                  A. I believe there was an allocation of 9.7-, of  18 which the Port District could go back and recover  19 additional costs. So it wasn't a net sum of  20 \$9.7 million going towards the project.</p> <p>21                  And after that project -- after that number, revenues  22 would be split or expenses for demolition or remediation  23 would be split 50-50 between the Port District and the  24 Airport Authority.</p> <p>25                  Q. And do you have any understanding as to whether</p>	<p>Page 437</p> <p>1                   Exhibit 17 the lease from the Port District in the  2 Airport Authority for the Teledyne Ryan  3 property. [EXH-17]</p> <p>4                   A. Okay.</p> <p>5                   And these you keep; right, at the end of the day?</p> <p>6                   Q. Thank you.</p> <p>7                   MS. CHINN: This is 17; right?</p> <p>8                   THE REPORTER: Yes.</p> <p>9                   (Whereupon the document referred to is marked by  10 the reporter as Defense Exhibit 17 for identification.)</p> <p>11                  MS. McDONOUGH:</p> <p>12                  Q. Do you recognize the document that I just  13 handed you?</p> <p>14                  A. I've never seen it before, no. I mean, not --  15 not this one in this version, no.</p> <p>16                  Q. Okay.</p> <p>17                  I'll call your attention to what is Exhibit C to  18 the document that I just gave you.</p> <p>19                  A. Okay.</p> <p>20                  Q. You're going to go to the very end of it --</p> <p>21                  A. Uh-huh.</p> <p>22                  Q. -- and it's marked "50," page 50, in the  23 corner.</p> <p>24                  Do you see the handwritten --</p> <p>25                  A. Uh-huh.</p>

2 (Pages 436 to 439)

JOSE HERNANDEZ vs. SAN DIEGO COUN.

January 15, 2007

JOSE HERNANDEZ, VOL. III

<p>1 Q. Okay.</p> <p>2 That's a settlement agreement between the Port</p> <p>3 District and the Airport Authority.</p> <p>4 Have you ever seen that document before?</p> <p>5 A. I believe I had seen it at one time.</p> <p>6 Q. And I call your attention to pages 52 and 53 of</p> <p>7 Exhibit 17 --</p> <p>8 A. (Indicating.)</p> <p>9 Q. -- starting with section J1b where it says,</p> <p>10 "Environmental Clean-Up Costs."</p> <p>11 A. Okay.</p> <p>12 Q. Do you see that?</p> <p>13 A. Uh-huh.</p> <p>14 Q. Why don't you go ahead and read that section</p> <p>15 and let me know if it refreshes your recollection as</p> <p>16 to --</p> <p>17 MS. CHINN: Read it to yourself.</p> <p>18 MS. McDONOUGH: Yeah, right.</p> <p>19 MS. CHINN: What page are you on?</p> <p>20 MS. McDONOUGH: 52 of Exhibit 17.</p> <p>21 MS. CHINN: Okay.</p> <p>22 MS. McDONOUGH:</p> <p>23 Q. See if it refreshes your recollection as to the</p> <p>24 amount of money that was to be paid for cleanup costs</p> <p>25 and who was going to pay for those.</p>	<p>Page 440</p> <p>1 A. My understanding of the agreement was that --</p> <p>2 or is that the -- the Port District receives about</p> <p>3 21 million -- a little bit over \$21 million in</p> <p>4 settlement, of which the majority of that portion, with</p> <p>5 the exception of 9.7 million, was rent for rents owed on</p> <p>6 that property.</p> <p>7 Of the \$9.7 million, the Airport -- the Port</p> <p>8 District had an ability to recover all their little --</p> <p>9 their legal and litigation costs to those, so it's not a</p> <p>10 net \$9.7 million.</p> <p>11 After that -- After those amounts, the Airport</p> <p>12 Authority and the Port District would split the costs of</p> <p>13 remediation 50-50.</p> <p>14 The problem with this document, it does not outline</p> <p>15 or it was never disclosed the total cost of remediation.</p> <p>16 So that is -- that's my point. How could you</p> <p>17 agree to split remediation costs when you don't know</p> <p>18 what it is?</p> <p>19 Q. Have you ever had an understanding of what the</p> <p>20 remediation costs would be for the Teledyne Ryan</p> <p>21 property?</p> <p>22 MS. CHINN: Could you read back the rest of his</p> <p>23 last answer for me, please. Thanks.</p> <p>24 (The record is read by the reporter.)</p> <p>25 MS. CHINN: Okay. Thank you.</p>
<p>1 A. Do you mind if I -- if I just -- I -- Do you</p> <p>2 mind if I would outline -- I know it's her copy. That's</p> <p>3 why I don't want to write on it.</p> <p>4 MS. CHINN: Here (indicating).</p> <p>5 MS. McDONOUGH: Sure. I can make another copy,</p> <p>6 so --</p> <p>7 MS. CHINN: No.</p> <p>8 MS. McDONOUGH: Okay.</p> <p>9 MS. CHINN: Use mine (indicating).</p> <p>10 THE WITNESS: Okay.</p> <p>11 MS. CHINN: You don't have time for photocopying.</p> <p>12 You're a busy woman.</p> <p>13 THE WITNESS: (Indicating.)</p> <p>14 Okay. All right.</p> <p>15 MS. McDONOUGH:</p> <p>16 Q. Does the document that we've marked as</p> <p>17 Exhibit 17 refresh your recollection as to the agreement</p> <p>18 between the Port and the authority about payment of the</p> <p>19 abatement and cleanup costs for the Teledyne Ryan</p> <p>20 property?</p> <p>21 A. Yes, ma'am.</p> <p>22 Q. What is your understanding of the agreement</p> <p>23 between the Port and the Authority on the --</p> <p>24 A. The understanding --</p> <p>25 Q. -- cleanup costs?</p>	<p>Page 441</p> <p>1 MS. McDONOUGH: And my last question.</p> <p>2 (The record is read by the reporter.)</p> <p>3 THE WITNESS: There was not an understanding --</p> <p>4 There was a number bantered around that based on</p> <p>5 preliminary -- on preliminary assessments done by the</p> <p>6 Port District -- or actually, let me take that back --</p> <p>7 done by Teledyne Ryan as submitted to the Port District.</p> <p>8 It was assumed it was somewhere within the \$10 million</p> <p>9 range.</p> <p>10 But the Port District had not taken the time to --</p> <p>11 to -- to make their own detailed environmental</p> <p>12 assessment. And then at the time that this agreement</p> <p>13 was put into place, the Airport Authority did not do an</p> <p>14 assessment environmental one or environmental two, which</p> <p>15 would be some sample core drillings to validate that</p> <p>16 information.</p> <p>17 MS. McDONOUGH:</p> <p>18 Q. Do you have any information to</p> <p>19 suggest that the \$10 million number for the remediation</p> <p>20 cost is not valid?</p> <p>21 A. Absolutely.</p> <p>22 Q. What's that information?</p> <p>23 A. There was -- As part of our Teledyne Ryan</p> <p>24 assessment, we had -- the group, led by Paul Manasjan,</p> <p>25 had put together a complete and detailed environmental</p>

3 (Pages 440 to 443)

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JOSE HERNANDEZ vs. SAN DIEGO COUNTY

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<p>1 assessment of every square inch of that property.  2 They had gone in to every office, to every building  3 and identified what it would be to do the demos in  4 different stages, if you brought the buildings down to  5 the ground, what the above-ground remediation would be,  6 what the below-ground remediation costs would be. And  7 that's how it was determined it would be in the  8 \$30 million range, grossly over the \$10 million.  9 Q. Have you ever heard that it would cost more  10 than \$30 million to clean up the Teledyne Ryan property?  11 A. Absolutely.  12 At cost -- That \$30 million cost was at --  13 at that day's price of the cost, but it's -- it's  14 definitely understood that the longer it takes you to  15 remediate that property, the more it would cost.  16 Q. Do you have any understanding, as we sit here  17 today, of how much it will cost to remediate the  18 Teledyne Ryan property?  19 A. I believe that the last number that -- that I  20 was -- that was available to me was no less than  21 \$30 million.  22 Q. Do you have any information to suggest that it  23 would be more than \$30 million?  24 A. Not at this time.  25 Q. When did you first become aware of the</p>	<p>Page 444</p> <p>1 to us at that time was that initial parcel for 5- -- 350  2 parking spaces was clean.  3 As we went in and put our first light into the  4 ground, environmental -- environmental issues were --  5 were -- were quickly found.  6 Q. Have you been able to refresh your recollection  7 since yesterday as to the date of -- of the San Park  8 Phase I?  9 A. No, I don't.  10 Specifically it was -- we -- It was right around --  11 we had got -- I had got the go-ahead to move forward  12 with that development of that project, but I had to wait  13 until the documentation was found. So it would probably  14 from that the sign -- the date of signature forward.  15 Q. And as you testified under the settlement  16 agreement, the Port was responsible for approximately  17 9.7 million of the remediation costs less any attorneys'  18 fees that the Port incurred in that litigation; is that  19 correct?  20 MS. CHINN: Objection. That mischaracterizes his  21 foundation, lacks -- excuse me -- mischaracterizes his  22 testimony and lacks foundation.  23 THE WITNESS: Absolutely not.  24 That \$9.7 million would be contributed as -- as  25 part of the settlement. It is in a contribution by the</p>
<p>Page 445</p> <p>1 settlement agreement that we just looked at that's part  2 of Exhibit 17?  3 A. This -- This particular settlement agreement  4 was disclosed as -- to -- to us as part of our -- to  5 them, Teledyne Ryan redevelopment team or task force.  6 And so we had started looking into -- into the details  7 of what it would cost to do specifically the Phase I and  8 Phase II of the parking lot projects.  9 Q. If you look at the settlement agreement on the  10 very last page of Exhibit 17, it was signed on May 20th,  11 2004.  12 A. (Indicating.)  13 Okay.  14 Q. Do you believe that you learned about the  15 settlement agreement sometime in the May 2004 time  16 frame?  17 A. Right around that time frame, yes, ma'am.  18 Q. And when did you first have an understanding  19 that it would cost about \$30 million to do a remediation  20 of the Teledyne Ryan property?  21 A. Immediately as we started -- as I started with  22 my sponsorship of the development of the Phase I of the  23 San Park project, it had been -- become clear that the  24 numbers were -- were not going to be sufficient for  25 remediation, because the information that was disclosed</p>	<p>Page 447</p> <p>1 Air- -- by the Port District, but it is -- it's put into  2 remediation costs, but minus -- minus all the litigation  3 costs, which once again were not disclosed to the  4 Airport Authority as part of the settlement.  5 It -- It's a good number to banter around, 9.7-,  6 "Hey, we got 9.7," but guess what? We didn't get  7 \$9.7 million.  8 MS. McDONOUGH:  9 Q. Do you have any understanding of what the  10 amount of the litigation costs were that were deducted  11 from the 9.7 million?  12 A. Specific numbers I do not have, no.  13 Q. Did you ever have an understanding of that?  14 A. It was -- It had been my understanding that it  15 would probably be a little bit right around half of what  16 that total number was, just on -- on rough swag numbers.  17 THE REPORTER: On what numbers?  18 THE WITNESS: On rough swag.  19 MS. McDONOUGH:  20 Q. So you believe --  21 MS. CHINN: Did you say "swag"?  22 THE WITNESS: Yeah.  23 MS. CHINN: Snappy talk.  24 MS. McDONOUGH:  25 Q. So you believe that the Port incurred</p>

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<p>1 approximately \$4-1/2 million in litigation costs?  2 A. In -- In just general information that that was  3 bantered around through the group, pretty close to --  4 pretty close to that.  5 Q. Do you remember who told you that?  6 A. It was just part of the -- part of the  7 discussions that -- that were with the group.  8 Q. And the Teledyne Ryan task force?  9 A. Yes, ma'am.  10 Q. Did you ever see any documentation as to the  11 amount of the litigation costs?  12 A. Not specific to the amount of the litigation,  no.  14 Q. Was anybody in the Teledyne task force privy to  information regarding litigation costs?  16 A. I believe those who would be privy to that  would be in the real estate staff in the real estate  side. Brian Anderson I'm sure would have a good idea.  Troy Leech would have a good idea of what those  litigation cost.  21 And also, there was an assumption that the numbers  hadn't been completely tallied up. So people were just  guessing on what those litigation costs were going to  be.  25 THE REPORTER: "What those litigation" --</p>	<p>Page 448  1 the reporter as Defense Exhibit 18 for identification.)  2 MS. CHINN: This will be ours, put Exhibit 18 on  3 there, and you can write on it.  4 THE WITNESS: (Indicating.)  5 MS. McDONOUGH:  6 Q. Go ahead and take a look at Exhibit 18 and see  7 if it refreshes your recollection as to who is  8 responsible for any cleanup or remediation under the  9 cleanup and abatement order, and take as much time as  10 you need.  11 A. (Indicating.)  12 (A discussion between witness and counsel is held  off the record.)  14 THE WITNESS: Okay. Go ahead.  15 MS. McDONOUGH:  16 Q. Have you finished reviewing Exhibit 18?  17 A. In cursory, yes, ma'am.  18 Q. Has any portion of Exhibit 18 refreshed your  19 recollection as --  20 A. There's just -- just portions.  21 Q. Hold on,  22 -- refreshed your recollection as to who was  23 responsible for cleanup under the cleanup and abatement  order?  25 A. This -- This documentation was sent to -- to</p>
<p>1 THE WITNESS: Costs would be.  2 MS. McDONOUGH:  3 Q. You are aware that there was a cleanup and  abatement order entered into in 2004 that was separate  and apart from the settlement agreement that we just  looked at?  7 A. Yes, ma'am.  8 I believe we talked about yesterday.  9 Q. And under that cleanup and abatement order,  10 Teledyne Ryan was fully responsible for cleaning the  above-ground contamination; correct?  12 A. I believe there was some stipulations to that.  13 Q. What were the stipulations?  14 A. I'd have to go back and read the document and  refresh my memory on that.  16 Q. Have you seen the cleanup and abatement order?  17 A. No.  18 It's only -- It was only -- That cleanup and  abatement document was only briefed to us in summary  form by Paul Manasian, our director of environmental  affairs.  22 Q. We'll mark as Exhibit 18 that cleanup and  abatement order (indicating). [EXH-18]  24 A. (Indicating.)  25 (Whereupon the document referred to is marked by</p>	<p>Page 451  1 Allegheny, and it's addressed to Allegheny. But it  2 also, if you look at page 2, 2 of 18, the discharge may  3 not only -- "The Dischargers may not be the only persons  4 responsible for discharges of PCBs and other waste into  5 Conval Lagoon and San Diego Bay."  6 And are you aware that after -- subsequent to this,  7 Allegheny and Teledyne Ryan also included in further  8 lawsuits the Airport Authority, the Port District and  9 anyone else they can drag into -- into this mess to help  10 defray the cost of that remediation?  11 Q. I'm not going to answer questions today.  12 A. Okay.  13 Q. You're the one answering them.  14 A. Okay.  15 Q. Are you aware of that litigation?  16 A. Absolutely.  17 Q. Okay.  18 Is there anything --  19 MS. CHINN: Wait a second. You weren't asking that  20 as a question, you were making that as a statement; Is  21 that correct?  22 THE WITNESS: Yes, ma'am.  23 MS. CHINN: Thank you.  24 So we have the correction on the record.  25 MS. McDONOUGH:</p>

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<p>1 Q. Is there anything else in Exhibit 18 that  2 refreshes your recollection as to who was responsible,  3 under the cleanup and abatement order, for any cleanup  4 on the Teledyne Ryan site?  5 A. I -- I believe -- let me -- let me answer in  6 this way. I believe to characterize this document as  7 the end all to be all and to the cleanup would be --  8 would be incorrect.  9 There were subsequent information that also  10 included additional parties to this which shared some  11 responsibility, and there is also additional litigation  12 that would -- that would also drag other entities into  13 their cleanup and abatement. So this isn't the final  14 documentation as I understand today.  15 Q. So you -- from your understanding, there is  16 additional litigation that is modifying this cleanup and  17 abatement order?  18 A. I believe so.  19 Q. If you look at page 7 of 18 of the cleanup and  20 abatement order, under "Order Directives."  21 MS. CHINN: Is -- Is that a cleanup and abatement  22 order?  23 MS. McDONOUGH: That's what it says at the top,  24 "Cleanup and Abatement Order No. R9-2004-0258."  25 MS. CHINN: Oh, I see. That's the top of the page </p>	<p>Page 452</p> <p>1 THE WITNESS: Okay. Go ahead.  2 MS. McDONOUGH:  3 Q. Do you have any understanding of what this  4 order directive is that I just had you read?  5 A. Complete understanding, I -- I don't. I don't  6 claim to be a subject matter expert in this  7 documentation or the existing litigation.  8 My objections to the Teledyne Ryan is no one knew  9 or had a complete understanding to what the remediation  10 costs were in there. And that -- that is my point of  11 objection, not specifics or specifics within the  12 document.  13 But just once again, how do you enter into a  14 \$20 million lease agreement without having a full  15 understanding of what it is that you were getting  16 yourself into?  17 Q. Do you have any understanding of what the  18 requirements are under this Cleanup and Abate Discharges  19 that I just had you read?  20 A. Specifically, once again, I do not claim to be  21 a subject matter expert. It's just in -- in reviewing  22 objections from my part, because I don't believe it's  23 fully understood by -- by any one party what those are.  24 Q. I'm -- I'm not asking you to give your expert  25 testimony --</p>
<p>1 of the first page, but that's not the top of the page of  2 the page that you're looking at; right?  3 THE WITNESS: Go ahead and ask your question again,  4 please, if you can.  5 MS. McDONOUGH: Just to clarify for the record, at  6 the top of page 7 of 18, in the upper left-hand corner,  7 the first line says, "Cleanup and Abatement Order No.  8 R9-2004-0258."  9 THE WITNESS: Okay.  10 MS. CHINN: What's the question?  11 MS. McDONOUGH:  12 Q. Under "Order Directives" on page 7 of 18, do  13 see that?  14 A. Yes, ma'am.  15 Q. I want you to read where it starts with, "It is  16 hereby ordered."  17 MS. CHINN: Read it to yourself, not to the record.  18 MS. McDONOUGH:  19 Q. And read through the top of page 18 -- I'm  20 sorry -- page 8 of 18 until you get to section B.  21 THE REPORTER: "Until you get to section"? 22 MS. McDONOUGH: B.  23 MS. CHINN: Obviously I'm going to object to the  24 whole line of questioning. The document speaks for  25 itself. </p>	<p>Page 453</p> <p>1 A. Okay.  2 Q. -- nor am I asking you to give any sort of a  3 legal conclusion. I just want to know if after reading  4 the Cleanup and Abate Discharges section and the Order  5 Directives that I just asked you to read, do you have  6 any understanding of what those mean?  7 A. My understanding is that to characterize this  8 document as a final be all, would be incorrect. That  9 would be my -- my determination of the documentation.  10 Q. So you don't have any understanding of what the  11 Cleanup and Abate Discharges mean?  12 A. I do have an understanding, but I also -- I --  13 I am also aware of subsequent information or subsequent  14 conversations that may -- may -- may have amended this  15 or may have included additional parties to -- to the  16 cleanup and abatement.  17 Q. So what is your understanding of the Cleanup  18 and Abate Discharges as is set forth on page 7 that I  19 just had you read?  20 A. Once again, the document speaks for itself.  21 Q. Right, but I'm entitled to your understanding  22 of what it means.  23 MS. CHINN: Did you understand it when you read it?  24 THE WITNESS: I understood it when I read it.  25 MS. McDONOUGH:</p>

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<p>1 Q. Okay.</p> <p>2 And what is your understanding of what it means?</p> <p>3 MS. CHINN: I don't know if you can answer it.</p> <p>4 Look at it again, and tell her if you can answer it</p> <p>5 without reading the document.</p> <p>6 MS. McDONOUGH: He can read it. That's fine.</p> <p>7 MS. CHINN: Not into the record.</p> <p>8 MS. McDONOUGH: No, I'm not -- I'm not asking him</p> <p>9 to read it into the record. I'm asking for his</p> <p>10 understanding of the -- of what it means.</p> <p>11 MS. CHINN: I think the record -- the document</p> <p>12 speaks for itself too, but --</p> <p>13 THE WITNESS: Okay.</p> <p>14 It just -- my understanding is that this order --</p> <p>15 this order outlines certain requirements for Teledyne</p> <p>16 Ryan.</p> <p>17 MS. McDONOUGH:</p> <p>18 Q. To pay the cleanup and -- cleanup charges as</p> <p>19 detailed in 1a, b and c?</p> <p>20 A. I don't believe it specifically calls out for</p> <p>21 them to pay. It just says "Investigate, cleanup and</p> <p>22 abate" in there.</p> <p>23 I don't -- I don't believe it specifically requires</p> <p>24 them to pay the whole sum.</p> <p>25 Q. Are you aware of any agreements, after the</p>	<p>Page 456</p> <p>1 couldn't answer those questions.</p> <p>2 MS. McDONOUGH:</p> <p>3 Q. Do you have any understanding as to the thrust</p> <p>4 of the litigation?</p> <p>5 A. I won't even -- I won't even venture to guess.</p> <p>6 I don't have that document. I haven't read the</p> <p>7 litigation.</p> <p>8 Q. Has anyone ever told you that the federal court</p> <p>9 case addresses the underground contamination on that</p> <p>10 site?</p> <p>11 A. I don't have the specifics of those. Once</p> <p>12 again, I can't answer.</p> <p>13 Q. Have you ever read the Haley &amp; Aldrich report</p> <p>14 prepared by the Port Disr- -- District regarding the</p> <p>15 contamination on the Teledyne Ryan site?</p> <p>16 A. I believe subsequent -- subsequent reports as</p> <p>17 follow-up to Haley &amp; Aldrich that we -- that we produced</p> <p>18 as the Teledyne Ryan task force invalidated those</p> <p>19 initial estimates.</p> <p>20 Q. But you didn't read the original report?</p> <p>21 A. There was the original that was used as a</p> <p>22 baseline, and then part of the Teledyne Ryan task force</p> <p>23 produced a subsequent more detailed document which</p> <p>24 invalidated the first one.</p> <p>25 Q. Did -- But you actually read the Haley &amp;</p>
<p>1 cleanup and abatement order that we just looked at and</p> <p>2 market as Exhibit 18, that modified the cleanup and</p> <p>3 abatement order?</p> <p>4 A. I believe there -- from my understanding, that</p> <p>5 there would be subsequent -- subsequent legal actions</p> <p>6 taken by -- by Allegheny, by Teledyne Ryan, by the Port</p> <p>7 District, by the Airport Authority, by the City of</p> <p>8 San Diego, by Robert Robertus and -- and the -- the</p> <p>9 water quality board that would be subsequent to this</p> <p>10 information, which may or may not have modified this --</p> <p>11 the cleanup and abatement order.</p> <p>12 Q. But you're not aware of a signed agreement</p> <p>13 necessarily?</p> <p>14 A. Not at this time.</p> <p>15 Q. And as you've testified, you're aware of</p> <p>16 ongoing litigation regarding the Teledyne Ryan property?</p> <p>17 A. I believe it was briefed to me, yes.</p> <p>18 Q. Are you aware that there is a case in federal</p> <p>19 court regarding that issue?</p> <p>20 A. I believe so.</p> <p>21 Q. What's your understanding of who the parties</p> <p>22 are and the nature of the litigation in federal court?</p> <p>23 MS. CHINN: Objection. It's overbroad.</p> <p>24 THE WITNESS: I'm unaware -- I'm not -- I don't</p> <p>25 have the details to that, and I really -- I really</p>	<p>Page 457</p> <p>1 Aldrich report?</p> <p>2 A. We had -- It -- It had been provided to us as</p> <p>3 an issue, as a step of what may or may not be out there.</p> <p>4 Go into detail, no. In summary form it had been</p> <p>5 briefed to me, but once again, we then produced -- we</p> <p>6 then produced a follow-up document which invalidated the</p> <p>7 first one, because there was certain premises in the</p> <p>8 first one which were found to be incorrect.</p> <p>9 Q. So your memory is that you were briefed somehow</p> <p>10 on the summary of the Haley &amp; Aldrich document, but you</p> <p>11 didn't sit there and pour through each page?</p> <p>12 MS. CHINN: Objection. That mischaracterizes his</p> <p>13 testimony and lacks a foundation.</p> <p>14 THE WITNESS: Go ahead and repeat the question.</p> <p>15 MS. McDONOUGH:</p> <p>16 Q. So you were briefed on the summary of the</p> <p>17 Haley &amp; Aldrich report, but you didn't read it line by</p> <p>18 line, page by page; Is that correct?</p> <p>19 A. Just in summary form, that's correct.</p> <p>20 Q. And who provided the summary to you?</p> <p>21 A. As -- As part of the tra- -- As part of the</p> <p>22 transfer -- And -- As part of the transfer of -- of the</p> <p>23 property from the Port District to the Airport</p> <p>24 Authority, they were required to hand everything over to</p> <p>25 us.</p>

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1 In fact, we had -- we, some of the individuals in  
 2 the Teledyne Ryan, had an opportunity to go over to the  
 3 Port District in one of their offices where they called  
 4 it one of the war rooms that they had set up that had  
 5 all the documentation available.

6 We looked through and identified all the documents  
 7 that we needed, and those were all handed over to the  
 8 Airport Authority at one time.

9 Q. When did you receive the summary of the Haley &  
 10 Aldrich report?

11 A. It was just briefed to me by -- by Paul  
 12 Manasjan, who was our -- our director, the subject  
 13 matter expert.

14 Q. Do you remember when that was?

15 A. No, I don't.

16 Q. Do you remember the timing of the Authority's  
 17 rebuttal to the Haley & Aldrich report?

18 A. I'm not sure if there was a rebuttal to that  
 19 Haley & Aldrich report, so I would be -- I would be  
 20 unaware or unable to answer that.

21 Q. You indicated that the Authority prepared  
 22 documents or some sort of a calculation that invalidated  
 23 the Haley & Aldrich report; is that correct?

24 MS. CHINN: Objection. That mischaracterizes his  
 25 testimony.

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1 THE WITNESS: Let me --

2 MS. CHINN: Just "yes" or "no."

3 THE WITNESS: No.

4 MS. CHINN: Don't help her.

5 THE WITNESS: Okay.

6 MS. McDONOUGH:

7 Q. You indicated that the Authority invalidated  
 8 the Haley & Aldrich report; correct?

9 A. That would be incorrect.

10 Q. Okay.

11 What -- What is correct?

12 A. The -- The -- The proper way to say it would be  
 13 that after -- after contracting services for our own  
 14 report on behalf of the Airport Authority, that the  
 15 results varied vastly from the initial one provided to  
 16 us by the Port District.

17 So our point --

18 THE REPORTER: "By the" what "District"?

19 THE WITNESS: By the Port District.

20 THE REPORTER: Thank you.

21 THE WITNESS: Our intent was not to invalidate it,  
 22 rather to validate -- validate or come up with our own  
 23 conclusions to what exactly was provided in the Haley &  
 24 Aldrich report.

25 MS. McDONOUGH:

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1 Q. When did you come to your own conclusions as to  
 2 the items in the Haley & Aldrich report?

3 A. During -- During the production of the  
 4 documentation, and then in summary after it -- it was  
 5 compiled to us.

6 Q. Do you remember the time frame of that --

7 A. No, I don't.

8 Q. -- the year?

9 A. 2004, 2005.

10 Q. Is there anything that would refresh your  
 11 recollection?

12 A. The report itself.

13 Q. Do you know who -- Did Paul prepare the report?

14 A. That was prepared for Paul.

15 Q. By whom?

16 A. By Haley & Aldrich.

17 Q. So they prepared a report for Paul based on the  
 18 assumptions that the Authority provided?

19 A. Absolutely.

20 Q. Do you know if the Teledyne Ryan task force  
 21 ever presented the second Haley & Aldrich report to any  
 22 one within the Authority?

23 A. Absolutely.

24 I believe that those -- that those were presented  
 25 to the vice president group on two different occasions.

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1 Q. Was one of those occasions the Sheraton that we  
 2 talked about yesterday?

3 A. One of them subsequent follow-up, which I  
 4 believe was held in the emergency operations center at  
 5 the commuter terminal.

6 Q. Who presented the second Haley & Aldrich  
 7 report?

8 A. It was all part of the overall -- overall  
 9 presentation on the Teledyne Ryan --

10 Q. So Paul was one of the presenters?

11 A. He -- He -- He would -- We were all tasked.

12 Individuals within that task force had areas of  
 13 responsibility where I would do the parking. He would  
 14 do environmental.

15 Steve Cornell would do the overall as the  
 16 construction, and, you know, there would be different  
 17 individuals that would present option. So he would --  
 18 he would have a better understanding environmental --  
 19 environmental ramifications better than anyone else.

20 Q. We spoke yesterday about Tom Morgan's report of  
 21 potential uses for the Teledyne Ryan property; correct?

22 A. Yes, ma'am.

23 Q. Did that report include potential for building  
 24 a hotel on the Teledyne Ryan property?

25 A. I believe one of the options that were

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<p>1 presented, yes, they would.  2 Q. Was that a viable option from your point of  3 view?  4 A. I believe it was never fully vetted out. It  5 would be at the corner, pretty much -- pretty much  6 across from -- from the Coast Guard station. And  7 there -- there might have been implications of -- of  8 FAA -- There would be -- There would have to be certain  9 waivers from the FAA to be able to put that -- that as a  10 viable use on that property.  11 Q. In your mind, did -- was it a potential and  12 viable use for the property?  13 A. I don't believe so.  14 Q. Why not?  15 A. It was termed that -- that Sexton, as it was  16 termed, they would be -- I didn't really believe it to be  17 a viable use for that property. You would have --  18 having a hotel at the foot of -- of -- of your runway,  19 and having the dB levels out there, I just don't --  20 don't believe it would have made it a viable option.  21 Q. Did you ever actually see Tom Morgan's report  22 of the potential uses for the property?  23 A. Absolutely.  24 There was -- There was varying iterations of it.  25 MS. CHINN: You answered it.</p>	<p>Page 464</p> <p>1 projected revenues would be, what net revenues would be  2 on those properties.  3 Once again, those assumptions that he made, some  4 were pie in the sky, you know, and some were not. And  5 once again, the most viable one according to what I  6 remember was just flattening the whole thing out, making a  7 parking lot. That was the most viable in terms of -- of  8 revenues for the property.  9 Q. Do you remember how much revenue the Authority  10 would receive if the property was just turned into a  11 parking lot --  12 A. I don't.  13 Q. -- on an annual basis?  14 A. I -- I don't recall what that would be.  15 Once again, those were -- those were numbers  16 that -- that I assisted him in producing, but with the  17 full understanding they could never be built out to be a  18 parking lot.  19 Q. Is the property currently used as parking lot?  20 A. Only -- Only the 350 parking spaces, yes,  21 ma'am.  22 Q. Assuming that the contamination is cleaned up,  23 do you believe that a \$3 million lease, an annual term  24 for 66 years is a good deal?  25 A. I would say it would not be a good deal because</p>
<p>1 THE WITNESS: Yes.  2 MS. CHINN: Don't help her anymore. Let her do her  3 job. The woman needs to be employed.  4 MS. McDONOUGH:  5 Q. Do you recall that Tom Morgan's report contains  6 assumptions for how much the cleanup and construction  7 costs would be for the property?  8 A. I'd have to be -- My memory would have to be  9 refreshed by being able to look at the documentation of  10 that.  11 Q. Do you have any memory of whether the cleanup  12 costs were included on the projections at all?  13 A. I don't -- Once again, I'd have to look at the  14 documentation.  15 Q. Do you have a memory that Tom Morgan projected  16 that the property would eventually bring in a profit of  17 about \$50 million --  18 A. Once again, I --  19 Q. -- each year?  20 A. -- I don't believe the numbers were that high,  21 no.  22 Q. What do you believe the numbers were?  23 A. I'd have to re- -- I'd have to refresh --  24 refresh my memory as to what that was. But, you know,  25 I -- as I sit here today, I couldn't tell you what the</p>	<p>Page 465</p> <p>1 there was not a full understanding or complete  2 understanding what the remediation costs would be,  3 what -- what legal implications in -- in -- in creating  4 a tenancy in the property would be, what -- what impact  5 it would have on -- on the operating budget, because at  6 the end of the day we still have to or we still were  7 paying the \$3 million. And it had to go against  8 someone, because we only had so much money to pay.  9 And there was some "severe" -- some severe  10 ramifications to our operating budget. That's why as  11 you walk through the airport today, you will see screen  12 after screen in the flight information displays that we  13 can't replace or can't be replaced because there was no  14 money in the budget to do so.  15 Q. If you assume that the contamination is cleaned  16 up by 2010, so three years from now --  17 A. That --  18 MS. CHINN: Wait. You know what? Do you want to  19 qualify him as an expert?  20 MS. McDONOUGH: No.  21 MS. CHINN: Okay. Then you can't ask him his  22 opinion --  23 MS. McDONOUGH: Sure I can.  24 MS. CHINN: -- about these things.  25 MS. McDONOUGH: Sure I can.</p>

9 (Pages 464 to 467)

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<p>1 MS. CHINN: Okay.</p> <p>2 MS. McDONOUGH: You can put your objection on the record.</p> <p>3 MS. CHINN: You're putting an assumption out there which calls for an opinion, and you haven't laid a foundation. So that's my objection.</p> <p>4 MS. McDONOUGH:</p> <p>5 Q. If you assu--</p> <p>6 MS. CHINN: It also calls -- Excuse me. It Also calls for speculation.</p> <p>7 But if you can answer it, go ahead.</p> <p>8 MS. McDONOUGH:</p> <p>9 Q. If you assume that the contamination is completely cleaned up by 2010, do you believe that the lease at \$3 million per year for 66 years is a good deal?</p> <p>10 A. I -- I won't even venture to answer that question because I -- I truly do not believe that the property would be fully remediated by 2010.</p> <p>11 Q. I'm asking you for purposes of this question only to assume that it is remediated by 2010.</p> <p>12 A. Not agreeing with your assumption, I just won't even answer that question. I can't -- I can't give you a response to -- to a question which I don't believe -- I don't believe is -- will ever happen. I truly do not</p>	<p>Page 468</p> <p>1 Q. Do you have any --</p> <p>2 A. Then I can answer.</p> <p>3 Q. Do you have any estimate of when that will happen?</p> <p>4 A. No, I don't. Not before 2010.</p> <p>5 Q. You mentioned yesterday that you disclosed the environmental issues as part of the task force; is that correct?</p> <p>6 A. Yes, ma'am.</p> <p>7 Q. What's all the documentation that would reflect your disclosures that you're aware of?</p> <p>8 MS. CHINN: Objection. That calls for a narrative. It's overbroad.</p> <p>9 If you can answer it, go ahead.</p> <p>10 THE WITNESS: The documentations not as much. Conversations with -- with my direct supervisor, Ted Sexton, reflecting my objections to -- to the Airport Authority's inability or -- inability to identify or -- or not having done the right environmental assessments before we entered into that lease agreement for the Teledyne Ryan and understanding the full effects.</p> <p>11 So these were ongoing conversations with Ted Sexton with the complete understanding that it would have dramatic effects on -- on our operating budget.</p>
<p>1 believe, as I sit here today, that that property will be remediated in whole by 2010.</p> <p>2 Q. So you can't even assume that if I ask you to?</p> <p>3 A. I won't even assume it because I -- the chances are it's not going to happen.</p> <p>4 Q. Just assume -- assume that it is cleaned up.</p> <p>5 MS. CHINN: Its a false assumption.</p> <p>6 THE WITNESS: Assume it won't.</p> <p>7 MS. CHINN: It's a false assumption. You haven't laid a proper foundation for asking the question for his opinion on that.</p> <p>8 MS. McDONOUGH: It's a hypothetical.</p> <p>9 MS. CHINN: I know that you think it's a hypothetical. He's saying it's a false assumption so he can't answer it.</p> <p>10 MS. McDONOUGH:</p> <p>11 Q. When do you believe the cleanup will be complete?</p> <p>12 A. Having -- Having -- Not having the -- the complete details, you know, and having a -- once again, an up-to-date assumption or an up-to-date understanding of all the litigation that goes -- that is involved, any other orders, I can't -- I can't even tell you. But it would be a good estimate on my part that before 2010 it won't happen.</p>	<p>Page 469</p> <p>1 Q. Are you aware of any documentation that would reflect the disclosures that you made?</p> <p>2 A. I would -- I'm not aware of -- Once again, when -- when I left employment at the Airport Authority, I -- I took no -- no documents back with me. I don't have my file.</p> <p>3 I know for a fact that I had those conversations on many occasions with Ted Sexton because I had great concern over the impact of those lease, not only that lease, but also the lease for the General Dynamics in our operating budget.</p> <p>4 Q. Are you --</p> <p>5 MS. GONZALEZ: Can we take a break for a second?</p> <p>6 MS. McDONOUGH: Sure.</p> <p>7 VIDEO OPERATOR: We are off the record at 10:34 a.m.</p> <p>8 (A recess is taken.)</p> <p>9 VIDEO OPERATOR: We are back on the record at 10:40 a.m.</p> <p>10 MS. McDONOUGH:</p> <p>11 Q. Are you aware of any documents -- Well, strike that.</p> <p>12 Are you aware of any minutes of the task force committee meetings that your attended?</p> <p>13 A. I'm sure there probably are minutes in there.</p>

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<p>1 But where they're at, I couldn't tell you where they're 2 at.</p> <p>3 Q. Who took the minutes?</p> <p>4 A. If anyone would have taken minutes, it would 5 have been Annie Rombold, who worked for Steve Cornell.</p> <p>6 Q. Do you know if there's any other documentation 7 that would reflect the disclosures you made regarding 8 the Teledyne Ryan property?</p> <p>9 A. I -- I didn't realize I had to make disclosures 10 in writing. They were -- As I mentioned, it was -- it 11 was -- a lot of them were in -- in the small group 12 discussions or conversations that I had with my direct 13 supervisor, Ted Sexton.</p> <p>14 Q. Please don't assume that I'm saying that it's 15 required. I just want to know if there are any 16 documents that reflect the disclosures you made.</p> <p>17 A. I wouldn't -- It wasn't -- It wasn't as much of 18 a concern to me to make sure that it was --</p> <p>19 MS. CHINN: That calls for a "yes" or "no."</p> <p>20 Are you aware?</p> <p>21 THE WITNESS: I'm -- I'm not sure.</p> <p>22 MS. McDONOUGH:</p> <p>23 Q. Is there anything that would refresh your 24 recollection as to whether there are documents?</p> <p>25 A. The minutes themselves.</p>	<p>Page 472</p> <p>1 Authority staff.</p> <p>2 MS. McDONOUGH:</p> <p>3 Q. And you believe that that assumption came from 4 Teledyne Ryan?</p> <p>5 A. I believe that it was an initial --</p> <p>6 MS. CHINN: Wait. That calls for speculation. If 7 you know, you can answer. Don't guess.</p> <p>8 THE WITNESS: Those numbers were an assumption that 9 was made by the Port District.</p> <p>10 MS. McDONOUGH:</p> <p>11 Q. How do you know that those numbers were assumed 12 by the Port District?</p> <p>13 A. It was -- It was just num- -- numbers that were 14 communicated to us as to possible levels of 15 contamination to that at around that \$10 million range.</p> <p>16 Q. When did you first learn of the \$10 million 17 number?</p> <p>18 A. As part of -- As part of the negotiations. The 19 exact dates I'm not quite sure. It was just understood 20 that there was some sort of sentiment out there that 21 would -- that would contribute portions of that 22 9.7 million, \$10 million towards -- towards remediation 23 costs.</p> <p>24 Q. You've also alleged in the complaint that 25 Lindbergh Parking purposely submitted unattainable</p>
<p>1 Q. Other than minutes of the task force meetings, 2 do you believe that there are any other documents that 3 reflect disclosures that you made?</p> <p>4 A. I'm -- I'm not sure.</p> <p>5 Q. Do you know what the negotiators for the court 6 and the negotiators for the Authority knew about the 7 contamination on the property when they were negotiating 8 the lease for the Teledyne Ryan property?</p> <p>9 MS. CHINN: This is being objected to on the basis 10 of calls for speculation.</p> <p>11 However, you can answer.</p> <p>12 THE WITNESS: No, I -- I'm not qualified to answer 13 that question.</p> <p>14 MS. McDONOUGH:</p> <p>15 Q. Did you ever have an understanding of what the 16 negotiators for the Port and the negotiators for the 17 Authority knew about the contamination on the Teledyne 18 Ryan property when they were negotiating the lease?</p> <p>19 MS. CHINN: Same objection.</p> <p>20 Answer if you can.</p> <p>21 THE WITNESS: I believe the only assumption was 22 that -- the assumption was that as a result of 23 preliminary views, the contamination limits were 24 somewhere around 10 million. But once again, those -- 25 those numbers were never validated by -- by the Airport</p>	<p>Page 473</p> <p>1 expense estimates in order to bolster its proposal to 2 the Authority; is that correct?</p> <p>3 A. Yes, ma'am.</p> <p>4 Q. Why do you believe that LPI purposely submitted 5 unattainable expense estimates?</p> <p>6 A. Because in conversations -- It had been after 7 an initial -- after an initial submission, maybe a 8 three-month period of looking at operating expenses 9 versus actual -- versus those that were submitted to us. 10 It was very -- It was very quick -- or we were very 11 quick to understand that those numbers weren't even 12 anywhere close to being in the same ballpark.</p> <p>13 Q. Let's go back a little bit in time.</p> <p>14 Do you remember when LPI submitted its proposal to 15 the Authority to provide services to the Authority?</p> <p>16 A. Under -- It was just prior to 2003, somewhere 17 in that in that 2003, 2004 time frame in there. They 18 had an existing five- -- five-year agreement that was 19 expiring. And then we had laid out another request for 20 proposal for qualified operators of parking properties.</p> <p>21 Q. And LPI, along with other operators of parking 22 properties, submitted bids, essentially, to the 23 Authority --</p> <p>24 A. That's correct.</p> <p>25 Q. -- for the contract; is that correct?</p>

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<p>1 A. That's correct.</p> <p>2 Q. And how long was the new contract going to be?</p> <p>3 A. The new contract would be for a maximum of five</p> <p>4 years.</p> <p>5 Q. And you were on the committee that -- selecting</p> <p>6 the contractor?</p> <p>7 A. That's correct.</p> <p>8 Q. And you selected LPI as the contractor?</p> <p>9 A. The group selected LPI as the contractor.</p> <p>10 Q. Do you remember who else was on that committee?</p> <p>11 A. I believe Troy Leech was on -- Troy Leech in --</p> <p>12 from real estate was on that committee. It was -- It</p> <p>13 was a panel with -- I -- I don't remem- -- I don't</p> <p>14 remember exactly how many people were on there, but it</p> <p>15 was a -- It was a broad and varied panel.</p> <p>16 Q. Do you remember if there was a runner-up --</p> <p>17 A. Yes.</p> <p>18 Q. -- to LPI?</p> <p>19 A. Yes.</p> <p>20 Q. Who was the runner-up?</p> <p>21 A. Standard Parking.</p> <p>22 Q. What was Standard Parking's bid for the --</p> <p>23 A. The --</p> <p>24 Q. -- contract?</p> <p>25 A. The qualifications -- The qualifications or the</p>	<p>Page 476</p> <p>1 statements. And I would keep a running total of</p> <p>2 those -- of those documents, and I would have to approve</p> <p>3 and disapprove their -- their submittals.</p> <p>4 Q. But you haven't seen those in a year; correct?</p> <p>5 A. Yes, ma'am.</p> <p>6 Q. So are you aware of what their current</p> <p>7 operating expenses are right now?</p> <p>8 A. Not -- Not -- Not after 2005.</p> <p>9 Q. Was LPI's bid of projected operating expenses</p> <p>10 consistent with the operating expenses that LPI had</p> <p>11 incurred in its prior contract with the Airport?</p> <p>12 A. Not -- Not specific to -- to the additional</p> <p>13 properties that were added under that -- under that</p> <p>14 submission, which would be the General Dynamics</p> <p>15 property.</p> <p>16 They had submitted an operating figure of</p> <p>17 \$1.1 million to operate our -- the property along</p> <p>18 Pacific Highway, and it was quick to -- we were quick to</p> <p>19 understand that those operating figures would be about</p> <p>20 half a million dollars more a year, more in the</p> <p>21 million 5-, million 6- range, versus the million 1- that</p> <p>22 they had initially submitted.</p> <p>23 Q. So in LPI's prior contract, which parking lots</p> <p>24 were they operating?</p> <p>25 A. They were op- -- under -- under LPI's previous</p>
<p>1 determination for -- for parking management was not just</p> <p>2 based on -- on a bid number, what's the lowest that you</p> <p>3 could provide the serv- -- services for, but there was a</p> <p>4 range of percentiles and work plans, operating plans.</p> <p>5 There was just a host of different items. We did</p> <p>6 not want to base the -- you know, our decision of</p> <p>7 qualifying an operator just based on who could submit</p> <p>8 the lowest prices.</p> <p>9 Q. Why did you choose LPI as a committee?</p> <p>10 A. LPI, largely because their operating expenses</p> <p>11 were much lower, were much lower than Standard</p> <p>12 Parking's.</p> <p>13 Q. Any other reason?</p> <p>14 A. They had their -- They had done a pretty good</p> <p>15 job for us at the Airport Authority, but the numbers</p> <p>16 were, once again, really close, if -- so much so that if</p> <p>17 today they had submitted their existing numbers, their</p> <p>18 existing numbers now, meaning current operating</p> <p>19 expenses, versus what they had submitted, I do not</p> <p>20 believe that -- I do not believe that they would have</p> <p>21 retained that agreement, the service agreement.</p> <p>22 Q. How were you aware of what LPI's current</p> <p>23 operating expenses are?</p> <p>24 A. On -- On a monthly basis, their -- they would</p> <p>25 submit to my attention their -- their profit and loss</p>	<p>Page 477</p> <p>1 contract, they had operated the Airport parking lots</p> <p>2 on -- along Harbor Drive, those immediate to the Airport</p> <p>3 property.</p> <p>4 We had a different vendor, which was Five Star</p> <p>5 Parking, that operated the parking -- the 1100-stall</p> <p>6 parking stall -- parking lot on Harbor Drive.</p> <p>7 Q. So LPI was operating the parking lots that are</p> <p>8 right there at Terminal 1 and Terminal 2 and the</p> <p>9 commuter terminal?</p> <p>10 A. Yes, ma'am.</p> <p>11 Q. And in the new proposal that was submitted in</p> <p>12 2003, LPI would be adding the General Dynamics property?</p> <p>13 A. LPI would not be adding. It was part of the</p> <p>14 proposal to add it. The Airport Authority made the</p> <p>15 decision to add that to the -- the overall contract.</p> <p>16 Instead of having two separate agreements, we would</p> <p>17 just have one overall agreement for services. We were</p> <p>18 hoping to gain some synergies by having -- by combining</p> <p>19 those operations.</p> <p>20 Q. So in the request for proposal that the</p> <p>21 Authority put out there in 2003 or so, the Authority was</p> <p>22 looking for a proposal for one company to operate the</p> <p>23 terminal parking lots and the General Dynamics parking</p> <p>24 lot?</p> <p>25 A. That's correct.</p>

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<p>1 Q. Was it -- Were there any other parking lots 2 included in that RFP? 3 A. Yes. 4 If you have -- If you have the documentation, it 5 will also include not only the public parking lots at 6 the terminals, the commuter terminal, Terminal 1, 7 Terminal 2, but it also included customer service 8 representatives, which is our taxi and shuttle dispatch 9 operators. 10 It also included the employee parking lot on Harbor 11 Island, which is termed Employee Parking Lot Number 6. 12 And also included -- or also called for providing 13 parking and providing shuttle services to employee and 14 the employee bus shuttles, and employee bus shuttles and 15 the -- the Red Bus, which is Inner terminal bus, so it 16 was a pretty comp- -- comprehensive agreement. 17 Q. So LPI, in its second contract, was operating 18 at least five more parking lots than it had previously 19 operated? 20 A. One more parking lot. 21 Q. Oh, the General Dynamics, but it was -- wasn't 22 it operating the employee parking lot or not? 23 A. The -- The only addition to -- the only 24 addition to their agreement at the time of bid was 25 the -- that Gen- -- the parking lot on General Dynamics.</p>	<p>Page 480</p> <p>1 MS. McDONOUGH: 2 Q. Did Jim Myhers or Maurice Grey ever say 3 anything else to you that made you believe that LPI 4 purposely submitted lower operating expenses than what 5 it thought they would really cost? 6 A. I believe -- I believe that that conversation 7 was enough to get an understanding as to what they 8 thought the submissions were. 9 I -- Having put together that request for proposal, 10 I -- I was very, very careful to -- to set up existing 11 operating plans so we could measure submissions apple to 12 apple. There was no difference. This is your staffing. 13 These are the number of hours you're going to have 14 for -- for this cost center, for that cost center. 15 We were very, very careful to outline there was no 16 hidden, there shouldn't have been too many discrepancies 17 between one and the other. At the end of the day, 18 Just -- At the end of the day, that was their submission 19 of what they thought the numbers were, which -- which 20 from day one they were no -- nowhere close to that 21 number. 22 Q. When was your conversation with Jim Myhers 23 where he said "you know how LPI is"?</p> <p>24 A. We had -- We had had a conversation -- probably 25 initially three-month review, six-month review, of a --</p>
<p>1 Q. And you believed that LPI underestimated its 2 operating expenses for the General Dynamics property by 3 about \$500,000? 4 A. A year. 5 Q. A year. 6 Do you believe that LPI purposely underestimated 7 its operating expenses? 8 A. I believe that in a conversation that I had 9 with Jim Myhers, with Jim Myhers and Mr. Grey going over 10 those numbers and trying to get an understanding of why 11 those numbers are submitted, there was a comment made by 12 Jim that "Well, you know how Ace is, you know. People 13 will just figure it out down the road." 14 Q. Do you know why he said "you know how Ace is"?</p> <p>15 A. I believe that assumption was made that they 16 had purposely submitted numbers -- numbers to bolster 17 their bid by having lower operating expenses in order to 18 increase their opportunity, LPI -- LPI's opportunity 19 to -- to retain a service agreement.</p> <p>20 MS. CHINN: Why is Ace involved? 21 THE WITNESS: It's a misnomer. It's LPI's 22 submission. I apologize.</p> <p>23 MS. CHINN: Oh, so you misspoke? 24 THE WITNESS: Yeah. 25 LPI's submission for -- for that.</p>	<p>Page 481</p> <p>1 of the service agreement. 2 Q. Is there anything in particular that was 3 driving their operating expenses higher than what they 4 had projected? 5 A. An underestimation of the actual expenses or 6 what those actual expenses would be. 7 It would be easy for me to understand or to read. 8 What I would do is I would -- we had different cost 9 centers where I can compare the General Dynamics by 10 looking at fiscal years on a spreadsheet, this year 11 versus last year. 12 And then I had demarcated what days parking company 13 Amer- -- I mean Five Star left and LPI took over. So I 14 was comparing apples to apples on existing parking 15 operations. 16 Q. How much did -- How much were the operating 17 expenses for Five Star when Five Star was operating the 18 General Dynamics property? 19 A. I be- -- I believe those numbers were right in 20 the million -- million 4-, million 5- range per year to 21 operate that property. 22 Q. Did LPI say anything else that would indicate 23 to you that it purposely submitted lower operating -- 24 projected operating expenses to the Authority? 25 A. No, those were just the -- the initial</p>

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<p>1 comments.</p> <p>2 Q. You indicated that staffing for the -- for the</p> <p>3 contractor was an important consideration; Is that</p> <p>4 correct?</p> <p>5 A. Excuse me?</p> <p>6 Q. Staffing, the -- who was going to staff the</p> <p>7 parking lots is a -- was an important consideration in</p> <p>8 the RFP?</p> <p>9 A. Yeah, I believe if -- If -- I don't have the</p> <p>10 documentation in front of me, but we -- we weighted some</p> <p>11 criteria, and we outlined several criteria, I believe</p> <p>12 five or six different areas.</p> <p>13 And then we -- he gave them each a percentile of --</p> <p>14 of what we thought each one -- what -- what their</p> <p>15 contribution would be to the overall agreement, and</p> <p>16 that's how we came up with that. Staffing -- Staffing</p> <p>17 plan was a consideration.</p> <p>18 Q. Do you know who was going to staff LPI's</p> <p>19 parking operations? Was it employees of LPI --</p> <p>20 A. Yes, ma'am.</p> <p>21 Q. -- or any employees from Ace going to staff the</p> <p>22 LPI parking operations?</p> <p>23 A. The -- The agreement, once again, was with LPI,</p> <p>24 and the responsibility for compliance was -- was with</p> <p>25 LPI. We -- We did not have any agreement with --</p>	<p>Page 484</p> <p>1 Q. For all of your meetings?</p> <p>2 A. I believe just on the final, on the final</p> <p>3 interviews.</p> <p>4 Q. And all the other five persons listed were part</p> <p>5 of the panel?</p> <p>6 A. Yes.</p> <p>7 MS. CHINN: Can we just take a quick break?</p> <p>8 MS. McDONOUGH: Sure.</p> <p>9 MS. CHINN: Do you mind?</p> <p>10 MS. McDONOUGH: No.</p> <p>11 MS. CHINN: Five minutes.</p> <p>12 VIDEO OPERATOR: We are off the record --</p> <p>13 MS. CHINN: Thank you.</p> <p>14 VIDEO OPERATOR: -- at 10:59 a.m.</p> <p>15 (A recess is taken.)</p> <p>16 VIDEO OPERATOR: We are back on the record at</p> <p>17 11:11 a.m.</p> <p>18 MS. McDONOUGH:</p> <p>19 Q. Were you the individual on the RFP panel with</p> <p>20 the most knowledge regarding parking lot management?</p> <p>21 A. Yes, I was.</p> <p>22 Q. Is there anyone else even close to your</p> <p>23 knowledge on parking lot management?</p> <p>24 A. The second person would be Scott Hagan, who --</p> <p>25 who held a similar position in John Wayne.</p>
<p>Page 485</p> <p>1 with -- with Ace Parking, so it was -- it was LPI. Here</p> <p>2 is everything you need to do, and you just figure out</p> <p>3 how you're going to get it done.</p> <p>4 Q. Did you ever have the understanding that LPI</p> <p>5 was going to staff its parking lots with Ace employees?</p> <p>6 A. No.</p> <p>7 LPI had always staffed their parking lots with LPI</p> <p>8 employees.</p> <p>9 MS. McDONOUGH: I'm going to mark as Exhibit 19 an</p> <p>10 "Evaluation Panel, Parking Lot Management RPF." [EXH-19]</p> <p>11 MS. CHINN: Thanks. This is 19?</p> <p>12 MS. McDONOUGH: Yes.</p> <p>13 (Whereupon the document referred to is marked by</p> <p>14 the reporter as Defense Exhibit 19 for identification.)</p> <p>15 MS. McDONOUGH:</p> <p>16 Q. Does this document refresh your recollection as</p> <p>17 to who was on the RFP panel in 2003 or 2004?</p> <p>18 MS. CHINN: (Indicating.)</p> <p>19 THE WITNESS: I -- I believe so.</p> <p>20 The -- Bret's name is in the bottom, and I'm -- I</p> <p>21 know he was there as an interested party. I can't</p> <p>22 recall if he was in the actual panel himself, but I</p> <p>23 do -- I -- I am aware that he was there as an interested</p> <p>24 party.</p> <p>25 MS. McDONOUGH:</p>	<p>Page 487</p> <p>1 Q. But not for San Diego?</p> <p>2 A. No.</p> <p>3 Q. When you received the bid from LPI for services</p> <p>4 in 2003 or 2004, did you think that the 1.2 million for</p> <p>5 the General Dynamics property was low?</p> <p>6 A. 1.1 million.</p> <p>7 Q. I'm sorry. 1.1 million.</p> <p>8 A. Yes.</p> <p>9 But what I had -- what I had put together --</p> <p>10 MS. CHINN: Wait. You answered it.</p> <p>11 THE WITNESS: Oh, I'm sorry.</p> <p>12 Yes.</p> <p>13 MS. McDONOUGH:</p> <p>14 Q. Did you ever ask LPI about the proposed</p> <p>15 operating budget for the General Dynamics property prior</p> <p>16 to granting LPI the contract?</p> <p>17 A. We did as part of the interview, in the</p> <p>18 interview process, asked them whether those numbers</p> <p>19 were un- -- were attainable as -- because in looking at</p> <p>20 the three-year history for that -- that parking lot,</p> <p>21 the -- the expenses had never come below a million 4-, a</p> <p>22 million 5-.</p> <p>23 And they responded that they would be "creating</p> <p>24 synergies," quote unquote, that would allow them to --</p> <p>25 to obtain that \$1.1 million in -- for total revenue --</p>

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<p>1 for total expenses for the property.</p> <p>2 Q. Did you think they were lying to you when</p> <p>3 they -- when they said they thought they could create</p> <p>4 synergies?</p> <p>5 A. I believe when you have a three-year track</p> <p>6 history of -- on expenses for a particular property and</p> <p>7 then the number falls far below, I would believe so.</p> <p>8 Q. Why did you, as a committee, grant the contract</p> <p>9 to LPI if you thought that they couldn't attain the</p> <p>10 operating expenses that they proposed?</p> <p>11 A. When -- When we had looked -- When we had</p> <p>12 looked at -- at the overall portion, the overall grades</p> <p>13 for them, there was actually a good split.</p> <p>14 Standard, once again, was preferred, but also we</p> <p>15 were -- we were -- as part of the panel, we were, you</p> <p>16 know, influenced in some way by -- by some of the</p> <p>17 bystanders who were there, you know, and gave their</p> <p>18 comments.</p> <p>19 Ted Sexton, not being part the panel, was -- was --</p> <p>20 you know, offered his comments.</p> <p>21 Bret, who I don't believe was part of the panel,</p> <p>22 also provided his -- his -- his comments.</p> <p>23 And, you know, also there was -- there was, you</p> <p>24 know, a little bit of influence for LPI. Their --</p> <p>25 Their -- Their advocate, it happens to be a good friend</p>	<p>Page 488</p> <p>1 Q. Did anyone ever communicate to you that you</p> <p>2 needed to award the contract to LPI because Thella was</p> <p>3 friends with Elizabeth?</p> <p>4 A. I believe that more of the communication had to</p> <p>5 do with -- with well, we have minority-owned</p> <p>6 business, operating it, even though we had no</p> <p>7 requirements whatsoever to -- to award or we gave</p> <p>8 incentive points for minority-owned businesses on the</p> <p>9 agreement.</p> <p>10 Q. Were there any comments specific to Elizabeth</p> <p>11 being friends with Thella?</p> <p>12 A. As part of the interview process, it had been</p> <p>13 known that, you know, when -- as an advocate, you know,</p> <p>14 that -- that there may be some influence inserted by</p> <p>15 her. So it was -- it was kind of touchy. No one</p> <p>16 would -- No one would specifically comment on it, but,</p> <p>17 you know, it was --</p> <p>18 MS. CHINN: Is "advocate" the word you're using,</p> <p>19 like a lawyer?</p> <p>20 THE WITNESS: It would be an advocate, and now</p> <p>21 they -- they -- a consultant, I just call them</p> <p>22 advocates, someone who hires and lobbies on behalf.</p> <p>23 Probably a lobbyist would be the best way.</p> <p>24 MS. McDONOUGH:</p> <p>25 Q. So there were no specific discussions regarding</p>
<p>1 of Thella Bowens.</p> <p>2 Q. Maurice Grey, Is that who you're referring to?</p> <p>3 A. No.</p> <p>4 Q. Who is their advocate?</p> <p>5 A. Elizabeth Stump-Moore, who was hired by -- or</p> <p>6 who is hired or works in a consulting fashion with --</p> <p>7 with LPI, happens to be -- happens to be best friends</p> <p>8 with -- with Thella Bowens.</p> <p>9 THE REPORTER: Spelling for the record.</p> <p>10 THE WITNESS: Elizabeth Stump, S-T-U-M-P, Moore, as</p> <p>11 the boxer, her dad, M-O-O-R-E.</p> <p>12 MS. McDONOUGH:</p> <p>13 Q. When did you --</p> <p>14 MS. CHINN: Archie Moore?</p> <p>15 THE WITNESS: Yeah. That was her dad.</p> <p>16 MS. McDONOUGH:</p> <p>17 Q. When did you first find out that Elizabeth was</p> <p>18 friends with Thella?</p> <p>19 A. We've known -- I've -- It had been known that</p> <p>20 Thella and Elizabeth were friends way back to the Port</p> <p>21 District days. They would have lunch together. Before</p> <p>22 board meetings at the Port District, Thella would go out</p> <p>23 and -- and meet with Elizabeth beforehand.</p> <p>24 It was -- It was common knowledge that they were</p> <p>25 friends.</p>	<p>Page 489</p> <p>1 Elizabeth being friends with Thella?</p> <p>2 A. No.</p> <p>3 Q. You mentioned that Ted Sexton sat in on the</p> <p>4 panel meetings?</p> <p>5 A. Yeah. And in the final interview panels.</p> <p>6 Q. And that he made comments in that meeting?</p> <p>7 A. Yes.</p> <p>8 Q. What comments did he make?</p> <p>9 A. Just in comments of -- in comment supporting</p> <p>10 LPI. We had, as a panel, split. Personally I had --</p> <p>11 I -- I had voted for Standard Parking. I believe Steve</p> <p>12 Kozak at that time had voted for Standard Parking.</p> <p>13 I mean, the close was -- the -- the final</p> <p>14 calculation was within one swing vote. Once again, if</p> <p>15 the budget for Ace was as it is today, I do not believe</p> <p>16 that they would have retained that agreement.</p> <p>17 Q. So five people from the panel voted on who</p> <p>18 should obtain the contract; Is that correct?</p> <p>19 A. Yes.</p> <p>20 Q. And of the five people listed on Exhibit 19,</p> <p>21 you and Steve were in favor of Standard, and the other</p> <p>22 three were in favor of LPI?</p> <p>23 A. I believe -- I believe it was closer than that,</p> <p>24 where there was -- there was actually some ties and we</p> <p>25 couldn't come up with a determination.</p>

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<p>1 I believe it was like two and a half, two for one,  2 two for the other and another one was kind of deadlocked  3 into what we wanted to do, what they wanted to do. And  4 that's why it opened up to comments on -- on Bret's  5 side, on Ted's side and finally swung the vote.  6 Q. What specific comments did Ted make in favor of  7 LPI?  8 A. His -- His specific comments just -- just had  9 to do with we have an existing company, and they had --  10 they -- they had a good track record.  11 And he just felt that, you know, the advantage of  12 having a minority-owned company outweighed whatever  13 advantages we would -- we would derive from a new  14 partnership with Standard Parking.  15 Q. And did Ted's comments influence you at all?  16 A. They did -- They did in some manner. They did  17 in some manner.  18 Q. But you --  19 A. I know he influenced the group.  20 Q. But you still voted personally for Standard; is  21 that correct?  22 A. Yes.  23 Q. And you mentioned earlier in your response  24 about three times ago that if Ace's budget was  25 consistent with the operating expenses, then that</p>	<p>Page 492</p> <p>1 expenses for the General Dynamics property?  2 A. Absolutely.  3 Q. Who did you tell?  4 A. My direct supervisor, Ted Sexton.  5 Q. When did you tell Ted that?  6 A. Immediately after looking at the trends. I  7 believe it was at the -- the -- the three month,  8 six-month submittal.  9 I was very diligent in keeping track of operating  10 expenses and revenues for the property, and it was  11 quickly highlighted -- or I quickly noticed that there  12 was -- there was a large variation versus what they  13 believed they can operate the property for and versus  14 the actual expense numbers.  15 Q. So three or six months into LPI's operation of  16 the new contract --  17 A. Yeah. Typically -- Typically the first three  18 months are -- are, you know, some turnover numbers, but  19 your -- your four- to six-month are really indicative  20 of -- of what the true operating expenses are.  21 You have -- Initially you have some uniform changes  22 that have to be -- which might screw it up a little bit,  23 but your four- to six-month would be more accurate.  24 Q. What specifically did you say to Ted at  25 that time?</p>
<p>1 would --  2 A. Yeah.  3 Q. -- have been fine.  4 A. That was -- And once again, that was -- that  5 was a -- a misnomer, LPI. The submittal was submitted  6 by LPI and for LPI.  7 Q. Is there any reason were your accidentally  8 saying Ace instead of LPI?  9 A. No, just -- just mixing up the words.  10 Q. What comments did Bret make in the final RFP  11 meeting that you believe influenced the decision?  12 A. Specifically I don't -- I don't recall at this  13 time.  14 Q. Do you have any recollection of Bret's comments  15 in that meeting?  16 A. I don't recall exactly.  17 Q. Do you know what Elizabeth's race is?  18 A. She's black.  19 Q. Do you remember the date of the final RFP panel  20 meeting?  21 A. No.  22 But I believe those dates are clearly spelled out  23 in the -- in the RFP submittal.  24 Q. Have you ever told anyone at the Authority that  25 you believe that LPI purposely submitted lower operating</p>	<p>Page 493</p> <p>1 A. After taking a look at the numbers -- taking a  2 look at the numbers, I -- I went back and pulled out the  3 RFP submittal and took a look at -- took a look at the  4 actualized numbers for them and spoke to Ted and asked  5 him what he wanted me to do, because I didn't  6 believe, you know, the numbers were too far off.  7 And then we had base -- we, the Airport Authority,  8 had based our operating budget on -- on the submittals  9 from the RFP. So we had put in -- or we had reflected,  10 hey, they can do it for a million 1- in our -- my budget  11 for General Dynamics, it was pretty close to that number  12 of a million 1-.</p> <p>13 Q. Did --  14 Are you finished?  15 A. I'm done.  16 Q. Did Ted respond to your request of what to do  17 about the situation?  18 A. At that particular time, Ted just asked me to  19 go -- just go work it out with -- or told me just to go  20 work it out with -- with -- with LPI.  21 Q. Did you tell Ted that you thought that LPI's  22 submission in the RFP process was unlawful or illegal?  23 A. I believe that the numbers they had submitted  24 were -- were inaccurate and were unattainable.  25 Q. Did you ever tell Ted that you thought that</p>

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<p>1       their submission was unlawful or illegal?  2       A. I believe it was untrue in terms of  3       attainability for the -- for their budget numbers.  4       Q. So you didn't tell Ted that you thought it was  5       unlawful or illegal?  6       A. I believe -- I believe I told him, once again,  7       that those numbers -- that their submittals numbers were  8       "unatable" -- unattainable and -- and were untrue.  9       Q. And that's all you told him about the actual  10      numbers?  11      A. Those numbers -- We went into details as to the  12      numbers, but if that's a basis of why they were picked  13      over other operators, that would be a key concern.  14      THE REPORTER: "Would be a" what?  15      THE WITNESS: A key concern.  16      MS. McDONOUGH:  17      Q. Did you believe that LPI's submission in the  18      RFP process was unlawful or illegal?  19      A. I believe that their -- that they had submitted  20      unattainable numbers, that -- that they had a good idea  21      that if they were chosen to be -- or chosen to continue  22      as the service provider, that they would be unable to  23      attain those numbers, yes.  24      Q. Did you believe that the submission of  25      unattainable numbers was unlawful or illegal?</p>	<p>Page 496</p> <p>1       Q. How many conversations did you have with Ted  2       Sexton regarding the unattainable numbers submitted by  3       LPI?  4       A. We had more than a few.  5       Q. And they -- those conversations began sometime  6       in 2004?  7       A. I -- I don't have the documents in front of me,  8       so I'd have to look at the trends and see when I first  9       spotted those trends. And it was -- it was a  10      continue -- a "continuant" -- a continual -- First it  11      was -- it was multiple conversations within a few weeks.  12      And then at the -- at the point of submission,  13      for -- for every one of their profit and loss  14      statements, go back through and -- and reflect to him  15      what -- you know, what the numbers were in terms of --  16      of -- of actual expense numbers versus what LPI had  17      submitted in their submittal. So just -- I wanted to  18      keep him informed of what the trends were.  19      Q. When was the last time that you had a  20      conversation with Ted Sexton about the unattainable  21      numbers submitted by LPI in the RFP process?  22      A. Those continued through -- Those were  23      continuing on a regular basis through the end of my  24      employment with Airport Authority.  25      Q. Did you communicate with anyone else regarding</p>
<p>1       A. I would believe that it would be -- that  2       there -- that there would have to be some more --  3       something in there that -- that would reflect -- Once  4       again, I -- I don't know the general, but I just know  5       that the submission of documents which are unattainable,  6       there has to be something wrong with them.  7       Q. But you didn't know one way or the other  8       whether that was unlawful?  9       A. There -- There would be cause -- There would  10      be -- There would be cause for disqualification for them  11      or disqualifi- -- disqualification for them as service  12      provider during their existing or future.  13      So there would be -- there would have to be some  14      sort of -- of loss of -- loss of credibility or  15      somewhere to that effect. I don't want to -- I don't  16      want to say it was unlawful, but pretty close.  17      Q. So the consequence would be that they would not  18      be able to contract with the Authority in the future?  19      A. Yeah, they would -- they would -- their  20      contract would be terminated, and there would be an  21      opportunity to -- to list them as a nonres- --  22      nonresponsive party in the future.  23      THE REPORTER: "Nonresponsive party" --  24      THE WITNESS: In the future.  25      MS. McDONOUGH:</p>	<p>Page 497</p> <p>1       the unattainable -- unattainable numbers submitted by  2       LPI?  3       A. In this particular case, I felt that it would  4       be more appropriate if I -- if I directed those comments  5       to my direct supervisor.  6       Q. And I assume that those comments were all  7       verbal; correct?  8       A. (Nods head in the affirmative.)  9       Q. Are you aware of any documentation reflecting  10      those comments to Ted Sexton?  11      A. I'm -- I'm unaware if there are.  12      Q. Did you believe that the -- that LPI's  13      submission of unattainable operating expenses violated  14      the Authority's rules or regulations?  15      A. I believe they -- I believe they violated the  16      spirit of the contract -- contract and law.  17      Q. Spirit of the contract and law?  18      A. Of the -- Of contracting -- or -- I forgot  19      exactly what it's called, but our -- a contracting and  20      procurement.  21      Q. The contract and procurement from who?  22      A. Regulations for the Airport Authority.  23      Q. So you believe that the Airport Authority had  24      some sort of a contract, code or rule?  25      A. Yeah.</p>

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<p>1 Q. And what spirit did -- do you think that the  2 LPI submission violated?  3 A. I believe the spirit of submitting a fair, just  4 and attainable proposal is -- is key and to the point of  5 contracting with any agency or any individual.  6 And purposely submitting numbers that are  7 unattainable with the thought that everything would just  8 get figured out down the road is -- is not within that  9 spirit of -- of that con -- those contracts and  10 regulations.  11 Q. Do you know what the specific contract codes  12 are that you're referring to?  13 A. No.  14 The specific -- what their names are, not -- no,  15 but I'm sure by contacting or by making contact with --  16 with the Airport Authority, you know, requesting those,  17 those can be provided too.  18 Q. You also allege in your complaint that LPI  19 double-billed the Authority for workers' compensation  20 costs?  21 A. Yes, they did.  22 Q. When did that occur?  23 A. I don't have the spreadsheets in front of me,  24 but I believe starting in 2000 and again in around 2005.  25 Q. Do you know if you were the first person to</p>	<p>Page 500</p> <p>1 Q. So the double billing was that LPI was  2 submitting its workers' comp expenses under one line  3 item in the operating expenses, and then also had it in  4 the payroll overhead?  5 A. That's correct.  6 Q. Did LPI make any efforts to correct that  7 situation?  8 A. At that particular time, the Airport Authority  9 had made the decision to go back and credit -- and take  10 credit for that double billing.  11 What I then did was go back through and take a look  12 at all the months that I believed -- that I believed the  13 Airport Authority was double-billed, went through and  14 itemized all the expenses and then -- and turned in the  15 submission to LPI -- to LPI, Maurice Grey, notifying  16 them of the credit that the Airport Authority intended  17 to take against -- against that double billing.  18 Q. Who at the Authority decided to go back and  19 take credit for any double billings?  20 A. I had made the decision with -- with approval  21 of my direct supervisor, Ted Sexton.  22 Q. Was Ted Sexton pleased that you had discovered  23 this double-billing problem?  24 A. I believe Ted Sexton wanted me to ensure  25 that -- that it was taken care of in a -- in a -- in</p>
<p>1 notice the double billing?  2 A. Yes.  3 Q. What did you do when you noticed the double  4 billing?  5 A. Immediately -- What I -- What I did immediately  6 was -- was contact my direct supervisor, Ted Sexton, and  7 informed him of -- of the situation and what I had and  8 what the numbers looked like.  9 Q. Then what did you do?  10 A. And then took his -- took his advice and made  11 contact with LPI requesting backup information, or -- or  12 specific backup information that can justify the  13 increase in -- in those workers' comp expenses.  14 Q. What was LPI's response to your inquiry?  15 A. They -- They -- LPI tried to go back and take  16 a -- look at the numbers. I believe it was a period of  17 time, maybe a couple of weeks, that I finally requested  18 a meeting for -- from -- requested a meeting from  19 Maurice Grey. And Maurice Grey -- and he came in, and  20 we went over the specific numbers with him.  21 Q. Then what happened?  22 A. Then it was finally determined on their part  23 that they -- they were not only including the  24 individualized workers' comp numbers, but also including  25 those workers' comp expenses on the payroll overhead.</p>	<p>Page 501</p> <p>1 a -- in a quiet and quick manner. He didn't want it to  2 be made public that that was the case.  3 Q. Was he upset that you found the double billing?  4 A. He -- I believe -- I believe he didn't care  5 either way.  6 Q. Did you tell anyone else about the double  7 billing on the workers' compensation?  8 A. Yes, ma'am.  9 We had -- We had an analyst in account- --  10 accounting analyst by the name of Andrew McIntyre.  11 Andrew McIntyre was tracking work for the finance  12 department, accounting department, and he was tracking  13 our -- our revenues and expenses.  14 And I needed to notify him that there would be a  15 lump-sum credit taken back against those accounts for  16 LPI. So I needed to notify him that that was the case.  17 He then came to my office, and we went through all  18 the documentation in specific so he -- so that he can be  19 informed as to what the credits would be.  20 Q. When did you tell Andrew McIntyre about the  21 double billing?  22 A. Once -- Once I had figured out which ones I was  23 going to go back and take credit and thought that I had  24 narrowed down or specifically -- and -- and had specific  25 numbers that we were looking to take credits against.</p>

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		Page 504	Page 506
1	Q. Was that in the beginning of 2005?		
2	A. Right around the beginning of 2005, yes, ma'am.		
3	Q. Is there anyone else that you communicated with		
4	about the double billing of the workers' compensation		
5	expenses?		
6	A. No.		
7	Ted Sexton -- Ted -- Ted Sexton, Andrew McIntyre, I		
8	know that I requested the assistance of my executive		
9	assistant, Jennifer Hamilton, to assist me in compiling		
10	all this information.		
11	Q. And you also spoke to Maurice Grey about it; correct?		
12	A. And speak to Maur -- Maurice Grey.		
13	Once again, at that particular time I did not have		
14	a director of grounds -- or manager of ground		
15	transportation, so it was me.		
16	Q. Do you believe that the -- that LPI's double		
17	billing of the workers' compensation was inadvertent?		
18	A. No, I don't.		
19	Q. Why do you believe that it was purposeful?		
20	A. I believe when you look at -- there is some		
21	intent that goes into -- there has to be some intent		
22	to -- to double- -- to double-bill in that fashion. And		
23	there was -- there wasn't sufficient documentation		
24	coming back to me or presented to me as -- as an.		
25			
		Page 505	Page 507
1	Individual at the Airport Authority that would		
2	substantiate such a claim.		
3	Q. When you met with Maurice Grey to go over the		
4	issue of double billing with him, did he seem surprised?		
5	A. He seemed upset.		
6	Q. How did you know he was upset?		
7	A. You -- You could see it in his face. You can		
8	see it in his face, and he just did not know how to		
9	react to -- to the items of double billing. It was a		
10	substantial amount.		
11	And understanding the structure of their company,		
12	it should be pretty quick to red-flag that for a		
13	five-month period. You've seen your revenues go up		
14	by -- by a pretty good amount of money.		
15	I mean, theirs -- their business is pretty -- the		
16	fees, the management fees that they typically receive		
17	are -- you know, are pretty standard from January, just		
18	what he can expect, February, he can expect.		
19	And when you look at a -- at a -- at a trend, four-		
20	to six-month trend where they're just going through the		
21	roof, doubling, tripling, I mean, there has got to be a		
22	reason. I mean, a typical person would go back and try		
23	to research of why those numbers were the way they were.		
24	Q. Was there anything more that Maurice Grey said		
25	or did that made you believe that he or LPI purposely		

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<p>1 operating expense sheet where it said workers' comp?</p> <p>2 A. I don't -- Once again, I don't have the</p> <p>3 documentation. I can't respond accordingly --</p> <p>4 accordingly.</p> <p>5 Q. Do you remember it at all?</p> <p>6 A. I'd have to go back and take a look.</p> <p>7 Q. Do you know if the Authority received credit</p> <p>8 for the double billing on the workers' comp?</p> <p>9 A. I believe in one of their statements, one of</p> <p>10 their statements, we took credit, we took full credit</p> <p>11 for -- for those operating expenses. And, you know,</p> <p>12 exact amount I don't quite remember, but it was easily</p> <p>13 over \$100,000.</p> <p>14 Q. So as far as you were aware, the Authority</p> <p>15 recovered whatever it double-paid on the workers' comp?</p> <p>16 A. Yes.</p> <p>17 Q. And that problem on the double billing was</p> <p>18 fixed in later monthly expense submissions?</p> <p>19 A. I believe that was correct.</p> <p>20 Q. Did you believe that LPI's submission of double</p> <p>21 expenses for workers compensation was a violation of the</p> <p>22 law?</p> <p>23 THE REPORTER: "Was a" what?</p> <p>24 MS. McDONOUGH: Violation of the law.</p> <p>25 THE WITNESS: You know, I'm not -- I'm not quite</p>	<p>Page 508</p> <p>1 make sure that I can articulate it in the proper manner.</p> <p>2 So I'm asking for about ten seconds of your time.</p> <p>3 Q. But I need the answer from you, not from your</p> <p>4 attorney.</p> <p>5 A. The --</p> <p>6 MS. CHINN: Go ahead, answer it, Jose.</p> <p>7 THE WITNESS: I believe -- I believe that -- I</p> <p>8 would believe that the submission of or the request for</p> <p>9 reimbursement for those insurance numbers were in an</p> <p>10 attempt to -- to kind of on a trial period see if we</p> <p>11 would pay those expenses, and then just kind of keep it</p> <p>12 going until they continued and see if -- if -- if they</p> <p>13 got caught.</p> <p>14 MS. McDONOUGH:</p> <p>15 Q. Did you believe that that was illegal to do</p> <p>16 that?</p> <p>17 A. Would you believe it's illegal to double bill?</p> <p>18 MS. CHINN: No, go -- I know you mean that --</p> <p>19 THE WITNESS: As a statement.</p> <p>20 MS. CHINN: -- rhetorically --</p> <p>21 THE WITNESS: I know.</p> <p>22 MS. CHINN: But go ahead --</p> <p>23 MS. McDONOUGH:</p> <p>24 Q. Did you --</p> <p>25 MS. CHINN: -- make your statement.</p>
<p>1 sure, I mean, how best to answer that question at this</p> <p>2 time.</p> <p>3 MS. McDONOUGH:</p> <p>4 Q. Do you need any further information from me or</p> <p>5 clarification in my question?</p> <p>6 A. I would -- I believe -- Let me -- Let me confer</p> <p>7 and just make sure that I'm going to answer it or say it</p> <p>8 in a way that I think would be the best.</p> <p>9 Q. Well, before we go off the record, do you</p> <p>10 understand my question?</p> <p>11 A. Could you repeat it again.</p> <p>12 Q. Sure.</p> <p>13 Did you believe that LPI's submission of double</p> <p>14 expenses for workers' compensation was a violation of</p> <p>15 law?</p> <p>16 A. Okay. Let me get back with you.</p> <p>17 Q. Did -- No --</p> <p>18 A. I -- I understand the question.</p> <p>19 Q. Right.</p> <p>20 Did you believe that at any time?</p> <p>21 A. Let me -- Let me talk to my attorney, and --</p> <p>22 Q. I'm entitled to your response before you talk</p> <p>23 to your attorney about it. If you can't -- If you don't</p> <p>24 understand my question, then please let me know.</p> <p>25 A. I do understand your question, but I need to</p>	<p>Page 509</p> <p>1 MS. McDONOUGH:</p> <p>2 Q. Did you believe that it was illegal for LPI to</p> <p>3 submit the double billing on workers' comp?</p> <p>4 A. I believe it was wrong that they submitted a</p> <p>5 request for proposal -- a request for reimbursement</p> <p>6 in such a manner.</p> <p>7 MS. CHINN: Are you saying that you're not</p> <p>8 qualified to give a legal --</p> <p>9 THE WITNESS: Yes.</p> <p>10 MS. CHINN: -- a legal response, a legal</p> <p>11 conclusion.</p> <p>12 MS. McDONOUGH:</p> <p>13 Q. Did you have a belief at any time that the</p> <p>14 double billing on the workers' compensation was illegal</p> <p>15 or unlawful?</p> <p>16 A. I -- I wouldn't be qualified, I know -- I'm</p> <p>17 qualified to say that it -- that it's wrong. But, you</p> <p>18 know, specifically I don't believe I'd be qualified to</p> <p>19 say.</p> <p>20 Q. Why do you believe it's wrong?</p> <p>21 A. Because you are submitting to an agency -- to</p> <p>22 anyone to reimburse you for expenses that -- that you</p> <p>23 didn't actually incur.</p> <p>24 MS. CHINN: Okay. Now you can talk to me. You've</p> <p>25 answered it.</p>

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<p>1 VIDEO OPERATOR: Go off the record?</p> <p>2 MS. McDONOUGH: Oh, yes.</p> <p>3 VIDEO OPERATOR: Okay.</p> <p>4 We are off the record at 11:42 a.m.</p> <p>5 (A recess is taken.)</p> <p>6 VIDEO OPERATOR: We are back on the record at</p> <p>7 11:44 a.m.</p> <p>8 MS. McDONOUGH:</p> <p>9 Q. Were any of your complaints to Ted Sexton or</p> <p>10 Maurice Grey about the double billing in writing?</p> <p>11 A. No.</p> <p>12 They were in verbal communication with -- with Ted,</p> <p>13 my -- I'm not sure. Once again, I don't have the files</p> <p>14 in front of me, my files pertaining to LPI. So there</p> <p>15 may have been, but I don't have those files.</p> <p>16 Q. But as we sit here today, you're not aware of</p> <p>17 any documentation that would reflect your complaints</p> <p>18 about the double billing?</p> <p>19 A. I believe there was documentation that needed</p> <p>20 to be provided in -- in the profit and loss statements</p> <p>21 that would document there are -- are -- you know, the</p> <p>22 Port Authority taking credit for such a large amount of</p> <p>23 money.</p> <p>24 Q. So there would be documents that show the</p> <p>25 credit, there would be the original documents that show</p>	<p>Page 512</p> <p>1 Landside Operations office, we have a file where we --</p> <p>2 where we document all -- where we hold all the profit</p> <p>3 and loss statements. And there is a contract file in</p> <p>4 there that we hold any documentation for to and from</p> <p>5 vendors that -- that we oversee.</p> <p>6 Q. So if there is any documentation about your</p> <p>7 complaints, it would be in that file?</p> <p>8 A. I would think it would be in there.</p> <p>9 Q. After the Authority received credit for the</p> <p>10 double billing of the workers' compensation, did you</p> <p>11 ever talk to anyone at the Authority about the double</p> <p>12 billing again?</p> <p>13 A. I had gone through with Ted and informed him</p> <p>14 what -- what the resolution was with them and, once</p> <p>15 again, reiterated to Ted that I don't believe -- you</p> <p>16 know, that -- that I didn't believe what had happened</p> <p>17 was right, there -- there is just something wrong with</p> <p>18 the whole situation.</p> <p>19 Q. When did you reiterate that to Ted?</p> <p>20 A. Just as the follow-ups -- follow-up</p> <p>21 conversations with him. Ted and I probably spent, you</p> <p>22 know, a good half hour, hour talking to each other every</p> <p>23 day and just going over different issues. We had a lot</p> <p>24 of items on our plate, so I would just brief them in</p> <p>25 summary form to him.</p>
<p>1 the double billing?</p> <p>2 A. That's correct.</p> <p>3 Q. But you're not aware of any documents that</p> <p>4 actually show you complaining about the double billing?</p> <p>5 A. The -- The -- My conversations, once again,</p> <p>6 were with my direct supervisor, and informing him of the</p> <p>7 situation in verbal and requesting assistance in how I</p> <p>8 should best follow up in that. On no point, to the best</p> <p>9 of my recollection, did he -- did he ever have me or</p> <p>10 request that I document that in writing.</p> <p>11 Q. And I'm not trying to trick you. I just want</p> <p>12 to know if there's documents that I should go try to</p> <p>13 find. So --</p> <p>14 MS. CHINN: He says yes.</p> <p>15 MS. McDONOUGH:</p> <p>16 Q. Are there any documents that show that you</p> <p>17 complained about the double billing on the workers'</p> <p>18 comp?</p> <p>19 A. Probably.</p> <p>20 Q. What documents would those be?</p> <p>21 A. They would be -- Any such documents would be</p> <p>22 held in -- in the parking management file for LPI.</p> <p>23 Q. And who has that file?</p> <p>24 A. That file is held in -- I believe it's in</p> <p>25 the -- in the -- in the permitting office -- In the</p>	<p>Page 513</p> <p>1 Q. Was that a one-time briefing after the credit</p> <p>2 had been issued to -- to tell Ted, "The issue has been</p> <p>3 revolved. I don't think it's right that they double</p> <p>4 billed" and that was the end of it?</p> <p>5 A. No, I believe we -- we continued -- we -- we</p> <p>6 continued with subsequent conversations to see if --</p> <p>7 what -- what he wanted to do with it and see if -- if --</p> <p>8 just trying to get additional -- additional advice as to</p> <p>9 how best to handle the situation or if he felt we should</p> <p>10 just go ahead and close the issue and -- and move on.</p> <p>11 Q. When was the last time that you remember having</p> <p>12 a conversation with Ted Sexton about the double billing</p> <p>13 on the workers' compensation?</p> <p>14 A. I -- I don't recall.</p> <p>15 Q. Did you ever keep any notes of your</p> <p>16 conversations with Ted Sexton about the issues that</p> <p>17 we've discussed, the General Dynamics lease, the</p> <p>18 Teledyne Ryan lease, LPI or the restroom project?</p> <p>19 A. Not as much because most of the conversations</p> <p>20 that we had with him were -- there was a lot of</p> <p>21 verbal -- We had meetings with -- with them with, you</p> <p>22 know, in -- In our small groups, the -- the operations</p> <p>23 group that we do. So -- So not as much -- not as much</p> <p>24 in terms of notes. I --</p> <p>25 Q. Do -- Do you remember taking any notes, say on</p>

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<p style="text-align: right;">Page 516</p> <p>1 a calendar? Some people write things down on a calendar 2 or in a journal? 3 A. Not as much. No, not as much. 4 Q. You're saying "not as much," does that mean you 5 don't remember any or there were some? What -- What do 6 you mean by that? 7 A. No, typically, typically I wasn't -- wasn't 8 within my practice to take certain notes like that. 9 MS. CHINN: Can I talk to you for -- 10 THE WITNESS: Yeah. 11 MS. CHINN: -- one second just right here. (A discussion between witness and counsel is held 13 off the record.) 14 MS. McDONOUGH: 15 Q. Is there something you wanted to add? 16 A. Yeah. 17 Just, you know, my conversations with Ted 18 initially, unless specifically requested, were loud and 19 verbal. I wanted to get a good understanding from him 20 as to which direction he wanted to take so that I could 21 comply with -- with his directives. 22 You know, even -- even with this, trying to get his 23 ideas of, "Hey, do you think this is legal, it's not 24 illegal?" 25 Personally -- Personally I would think or have a</p>	<p style="text-align: right;">Page 518</p> <p>1 A. That's correct. 2 Q. Why did you believe that LPI was testing the 3 Authority? 4 A. What -- You know, if -- If an error of that 5 magnitude, if it goes through once, okay. But a 6 continuation of that, until someone catches you, then 7 that would be let's see how long we can continue going 8 with this. 9 That's -- That's my personal opinion, that unless 10 we caught it, I doubt they would come back to us and 11 say, "Hey, here is a credit for all this amount that we 12 doubled-billed you." 13 So it was up to us at that point to go through and 14 try to catch -- catch -- catch the issue and then 15 address it. It was going to be at our point, at our 16 time, not theirs anymore. 17 MS. CHINN: Take this off. 18 (A discussion between witness and counsel is held 19 off the record.) 20 MS. McDONOUGH: 21 Q. When I asked you if you had any documentation, 22 you said, "I wouldn't have any information. I'm not 23 sure if there may or may not be," what do you mean by 24 that, that you don't have the information? 25 A. You had mentioned if I had any documentation.</p>
<p style="text-align: right;">Page 517</p> <p>1 reason to believe that there -- some -- some -- some 2 sense of impropriety or -- or -- or not lawfulness in 3 their -- their submissions of -- of -- you see the 4 pattern. 5 First they submit proposal with un- -- unattainable 6 numbers. Now we have a situation where they might be 7 double-billing, trying to increase their revenues, you 8 know, what next? What -- You know, what's going to 9 happen next? 10 So what I first want to do is, once again, go to my 11 direct supervisor, inform him of the situation and see 12 where he wanted to take it, you know. 13 Q. And once again, I'm not implying that there 14 should be documentation. I'm just trying to find out if 15 there is documentation. 16 So do you have any recollection of taking notes, 17 either on a piece of paper, a journal, a calendar, 18 anyplace regarding the conversations you had with Ted 19 Sexton? 20 A. I -- You know, I wouldn't -- not having the 21 information in front of me, I'm -- I'm not sure. There 22 may or may not be. 23 Q. You indicated that you thought that LPI was 24 testing the Authority to see if it could double-bill 25 workers' compensation; correct?</p>	<p style="text-align: right;">Page 519</p> <p>1 Documentation specific to the LPI parking contract, 2 whether they'd be letters or information back to -- to 3 LPI, would be held within that file. Any additional 4 information, like notes, probably not unless I put them 5 in there, in that particular file. 6 MS. CHINN: You're saying you don't remember what's 7 in the file? 8 THE WITNESS: I don't remember what's in the file. 9 MS. McDONOUGH: 10 Q. Okay. 11 So when you were talking about there may or may not 12 be, it's just whatever is in the LPI file in the parking 13 office -- I'm sorry -- in the -- you said earlier where 14 it is. 15 A. That's correct. We -- What -- What I did was I 16 held two separate files. We had one, the contracting 17 file, which is the formal file, and one which is 18 little -- with -- with additional information, another 19 file that I held in my office. 20 So between those two files, if there is any 21 information that's in writing, it would be between those 22 two files. 23 MS. McDONOUGH: This is probably a good stopping 24 point for lunch. Do you want to take it now? 25 MS. CHINN: Oh, sure, if you want to.</p>

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<p style="text-align: right;">Page 520</p> <p>1 VIDEO OPERATOR: This is the end of Videotape  2 Number 1 in the continuing deposition of Jose Hernandez,  3 Volume III. We are off the record at 11:54 a.m. on  4 December 20th, 2006.  5 (A recess is taken.)  6 VIDEO OPERATOR: We are back on the record at  7 1:11 p.m. on December 20th, 2006. This is the beginning  8 of Videotape Number 2 in the continuing deposition of  9 Jose Hernandez, Volume III.</p> <p>10 MS. McDONOUGH:  11 Q. Is there any reason why you cannot continue to  12 give your best testimony?  13 A. No, ma'am.  14 Q. You testified earlier that you notified Ted  15 Sexton of the LPI issues, including the underestimated  16 expenses and the double billing of the workers'  17 compensation; correct?  18 A. That's correct.  19 Q. Do you know if Ted told anyone else about the  20 double billing or the expense issue with LPI?  21 A. I'm not -- I'm not sure if he did.  22 Ted, at some points, would either choose or not  23 choose, you know, to take whatever action he wanted. So  24 I'm not -- I'm not sure. I know that -- that I thought  25 it was my obligation to report to my immediate</p>	<p style="text-align: right;">Page 522</p> <p>1 (The record is read by the reporter.)  2 MS. CHINN: Okay. Thank you very much.  3 MS. McDONOUGH:  4 Q. In your complaint, you allege that when you  5 first raised the double-billing issue with Ted Sexton,  6 that he said that you needed to work out the issues with  7 Maurice Grey because LPI was a minority-owned business,  8 and the Authority needed the relationship in order to  9 comply with FAA regulations; is that true?  10 A. Yes.  11 Q. Was anyone else present when Ted told you that?  12 A. No.  13 I felt that there is -- an issue of this magnitude  14 would be better served if -- if I broached the issue  15 with -- with Ted directly and no one else at that time.  16 THE REPORTER: And what at that time?  17 THE WITNESS: And no one else at that time.  18 MS. McDONOUGH:  19 Q. Did you ever complain in writing regarding the  20 LPI workers' compensation or operating-expense issue?  21 A. No.  22 I felt that communicating my -- my dissatisfaction  23 or my concerns directly to my supervisor in verbal would  24 suffice.  25 Q. Did you ever complain in writing about the</p>
<p>1 supervisor. Whether he took it anywhere from there,  2 it's -- you know, it's his choice.  3 Q. What specific authority codes or policies do  4 you believe were violated by LPI's actions?  5 A. I believe -- I believe that -- that I had --  6 that I had good faith to believe that as there was  7 violations of the -- of the contracting rules and  8 regulations by the Airport Authority, were violated by  9 not only the submission of their -- of their proposal  10 but also their submission of their request for  11 reimbursement.  12 Q. And when you say the Authority's rules or  13 regulations, are you referring to the Authority's code?  14 A. Contracting requirements. So specific which  15 ones I can't tell you, but I know that our procurement  16 and -- procurement and contracting is governed by -- by  17 code, which I believe mirrors the California  18 procurements code in there. But the exact title I -- I  19 can't tell you, but I believe we do have contracting  20 code at the Airport Authority.  21 MS. CHINN: Yeah, I didn't hear the whole answer.  22 You dropped your voice a little.  23 THE WITNESS: I apologize.  24 MS. CHINN: That's okay.  25 Do you mind telling me what the answer was.</p>	<p style="text-align: right;">Page 523</p> <p>1 Teledyne Ryan lease, the General Dynamics lease or the  2 restroom project in Terminal 1?  3 A. I -- I felt that communicating my concerns  4 directly to my immediate supervisor would suffice as --  5 as my articulation of those -- of -- of my thoughts.  6 Q. So you did not complain in writing about those  7 issues?  8 A. I believe that communicating to my direct  9 supervisor, you know, by word would -- would suffice.  10 Q. It just calls for a "yes" and "no" -- "yes" or  11 "no."  12 Did you complain in writing about the restroom  13 project at Terminal 1, the Teledyne Ryan lease or the  14 General Dynamics lease?  15 A. No.  16 Q. In your complaint, you allege that LPI's  17 actions violated the code of contracts, the California  18 code of contracts.  19 Do you know what that refers to?  20 A. I believe it's -- it's -- it's the -- the --  21 their -- the California code of contracts is a document  22 that was pretty much mirrored by the Airport Authority  23 that would govern or create the Airport Authority's  24 contracting policies.  25 Q. What's the basis of your understanding about</p>

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<p>1 what the California code of contracts is?</p> <p>2 THE REPORTER: Counsel, I need that again.</p> <p>3 MS. McDONOUGH:</p> <p>4 Q. What's the basis of your understanding about</p> <p>5 what the California code of contracts is?</p> <p>6 A. I believe that document lays down the outline</p> <p>7 for specific requirements on which public agencies would</p> <p>8 contract with -- with service providers, vendors and --</p> <p>9 and so on.</p> <p>10 Q. Have you ever read the California code of</p> <p>11 contracts?</p> <p>12 A. I believe that at one time I had looked at a</p> <p>13 summary of that as we were going through and working</p> <p>14 with our procurement department to clarify those --</p> <p>15 clarify the language in those -- in -- in our</p> <p>16 Internal -- Airport Authority internal contracting</p> <p>17 requirements.</p> <p>18 Q. Was there an issue that you were looking at</p> <p>19 specifically when you were working with procurement?</p> <p>20 A. There were multiple issues that we had looked</p> <p>21 at. In fact, Amy was part of that group where we had</p> <p>22 looked at ways that we can streamline -- streamline or</p> <p>23 better clarify the contract and requirements -- or</p> <p>24 contract in process at the Airport Authority. So there</p> <p>25 was -- it was a subset -- it was a working group that we</p>	Page 524	<p>1 obtained ice cream from Texas, Mr. Sexton was also in</p> <p>2 Texas on business?</p> <p>3 A. I believe that was a pretext of why he was</p> <p>4 there.</p> <p>5 Q. Isn't it true that Ted Sexton met with</p> <p>6 representatives of Southwest Airlines in Dallas on the</p> <p>7 same trip where he obtained the ice cream?</p> <p>8 A. That is correct.</p> <p>9 Q. Isn't it true that other members of the</p> <p>10 Authority went with Ted Sexton to Texas on that occasion</p> <p>11 to meet with a Southwest Airlines representatives?</p> <p>12 A. That is true, but Ted Sexton was not part of</p> <p>13 the original group to -- designated to go to -- to visit</p> <p>14 Southwest Airlines.</p> <p>15 Q. Who is the original group designated to visit</p> <p>16 Southwest Airlines?</p> <p>17 A. I believe in my recollection it would have been</p> <p>18 Thella Bowens, Jeffrey Woodson, Angela Shafer and at</p> <p>19 that time our -- Teresa or Terri -- I forget her last</p> <p>20 name, but she was our vice president of marketing.</p> <p>21 Q. Do you know the purpose of the meeting with the</p> <p>22 representatives of Southwest Airlines?</p> <p>23 A. At that current time, the Airport Authority</p> <p>24 hide -- had identified certain companies or</p> <p>25 organizations around the country that they can look to</p>	Page 526
<p>1 had put together.</p> <p>2 Q. There was a group specifically at the Authority</p> <p>3 that was looking at the contracting process?</p> <p>4 A. Yes.</p> <p>5 MS. CHINN: That mischaracterizes his testimony.</p> <p>6 (Interruption in proceedings.)</p> <p>7 MS. McDONOUGH:</p> <p>8 Q. Do you remember when that group was created?</p> <p>9 A. The development of the -- of the group was part</p> <p>10 of -- was a subset or a task group from what we call --</p> <p>11 what we call the directors forum.</p> <p>12 The directors from the various department on a</p> <p>13 monthly basis would get together and identify areas that</p> <p>14 we, as directors, felt that needed addressing or</p> <p>15 improvement. The procurement and procurement processes</p> <p>16 happened to be one of those items that were at the top</p> <p>17 of the list.</p> <p>18 Q. In the complaint, you've alleged that the vice</p> <p>19 president of operations paid \$1200 for a ticket to Texas</p> <p>20 to obtain ice cream; is that correct?</p> <p>21 A. That's correct.</p> <p>22 Q. And when you say the vice president of</p> <p>23 operations in the complaint, who are you referring to?</p> <p>24 A. Ted Sexton.</p> <p>25 Q. Isn't it true that on the trip where Ted Sexton</p>	Page 525	<p>1 or visit on -- in their -- in their hope to develop</p> <p>2 their own internal cultural -- culture.</p> <p>3 Q. The Airport Authority was looking to Southwest</p> <p>4 Airlines internal operations to figure out if the</p> <p>5 Authority could modify its own internal operations to</p> <p>6 mirror that?</p> <p>7 MS. CHINN: Objection. That mischaracterizes his</p> <p>8 testimony.</p> <p>9 THE WITNESS: Okay.</p> <p>10 No, I don't believe that was the case. I believe</p> <p>11 the case was to get an understanding or to visit or to</p> <p>12 be briefed on -- on particular culture that that</p> <p>13 excelling agencies have, such as the Vancouver Airport,</p> <p>14 Dallas -- I mean Southwest Airlines and other similar --</p> <p>15 that makes them -- that make them well recognized as</p> <p>16 having superior cultures or work cultures.</p> <p>17 MS. McDONOUGH:</p> <p>18 Q. When was the trip to Texas?</p> <p>19 A. It was approximately August or September 2004.</p> <p>20 Q. Do you know when Ted Sexton decided to go to</p> <p>21 Texas for that meeting?</p> <p>22 A. I believe he had finally decided to go on that</p> <p>23 meeting under a week's notice. That's why the ticket</p> <p>24 ended up being so expensive.</p> <p>25 Q. How do you know the price of the ticket?</p>	Page 527

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<p>1 A. Because I was in his office when Amy came in.  2 Amy Gosselin, his administrative assistant came in, and  3 asked him to sign the information for his travel  4 reimbursement.  5 Q. Did Ted ever talk to you about that trip to  6 Texas?  7 A. Absolutely he did.  8 Q. What did he say?  9 A. Initially he had gone through -- we had talked  10 about his trip or his intent to go on that trip prior --  11 prior to. Our conversations were -- were kind of to the  12 effect that he had no choice but he had to go find a way  13 to go get the Blue Bell ice cream.  14 I had tried to communicate why or -- you know,  15 trying to find alternatives of other ice cream that we  16 can get, why it was so important to -- to get this  17 particular ice cream.  18 And he said he had no choice, he had to figure out  19 away to get that ice cream because it was -- it was near  20 and dear to -- to Vernon and Thella, who both  21 grew up in -- in Texas, and it really gave them a -- a  22 remembrance of -- of Texas.  23 Q. Did Ted tell you that the only reason he was  24 going to Texas was to get ice cream?  25 A. Ted -- Ted had mentioned to me that he -- he</p>	<p>Page 528</p> <p>1 A. I was not at that meeting, so I -- I could  2 not -- I could not respond.  3 Q. Do you know anything about the role that Ted  4 Sexton played in the meeting with Southwest Airlines?  5 A. No.  6 Q. Do you know anything about --  7 MS. CHINN: Let me ask my client something real  8 quick. Excuse me.  9 (A discussion between witness and counsel is held  10 off the record.)  11 THE WITNESS: Okay. Go on.  12 MS. McDONOUGH:  13 Q. Do you know if any of the information gathered  14 from that meeting with the Southwest Airlines  15 representatives was later used by the Authority in  16 developing other policies or internal operating systems  17 or anything like that?  18 MS. CHINN: Objection. That lacks a foundation,  19 calls for speculation.  20 You can answer if --  21 THE WITNESS: I -- I would not be qualified to  22 answer that question.  23 MS. McDONOUGH:  24 Q. Do you know if any information obtained from  25 Southwest Airlines was ever used by the Authority in any</p>
<p>Page 529</p> <p>1 found that -- that he now had an opportunity where -- or  2 an opportunity had presented himself where now he can  3 now go out to Texas and get the ice cream.  4 Q. He could go out to Texas for business and get  5 the ice cream at the same time?  6 A. I -- No.  7 MS. CHINN: That mischaracterizes his testimony.  8 He didn't say that.  9 THE WITNESS: I believe that's in- -- that's  10 incorrect.  11 I believe now that he can insert himself into that  12 trip because the primary -- the primary reason for it  13 was for him to go get that ice cream. And now he can  14 legitimize making that trip.  15 MS. McDONOUGH:  16 Q. Are you testifying that there was no reason for  17 Ted Sexton to meet with Southwest Airlines on that  18 occasion?  19 A. I'm -- I'm testifying to the point that he was  20 not part of the original group, and that although he did  21 meet with -- with Southwest Airlines while on that trip,  22 it was not the pri- -- the primary reason for going on  23 that trip.  24 Q. Do you know if Ted Sexton provided any input  25 during the meeting with Southwest Airlines?</p>	<p>Page 531</p> <p>1 context?  2 MS. CHINN: Same objection.  3 THE WITNESS: I -- I would not be qualified to  4 answer that question.  5 MS. McDONOUGH:  6 Q. Do you know how Ted Sexton obtained the ice  7 cream once he was in Texas?  8 A. Oh, absolutely.  9 That was -- This would get to the point why we  10 figured out or why it's understood by myself that that  11 was the whole reason why he went there.  12 In advance to going to that trip, he had us make  13 contact with the airline station manager for American  14 Airlines, and tried to understand what the -- what the  15 rules and regulations were for -- for flying back ice  16 cream with dry ice.  17 We then made contact with MCRD, where we went out  18 and rented coolers large enough to bring back I believe  19 it was three or four tubs of 5-gallon ice cream back  20 there.  21 We had also made contact over the phone with --  22 with the Wal-Mart, which I believe is where he bought  23 the dry ice.  24 And we also made contact with the dairy  25 manufacturer in some small outlying town where he would</p>

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<p>1 be -- eventually go out and drive to and get the ice  2 cream.  3 So we had, prior to his trip, gone through and  4 detailed what vehicle he needed to get, what the whole  5 process was, where he needed to go and all the specifics  6 of -- of getting that ice cream back.  7 Q. And did he get the ice cream from Wal-Mart or  8 from the dairy manufacturer?  9 A. No, he -- he got the dry ice from the dairy  10 manufacturer. He got the dry ice from Wal-Mart and --  11 and got the ice cream from the dairy -- the dairy  12 manufacturer.  13 Q. Okay. Sorry.  14 When you said that we contacted MCRD and we  15 contacted the station manager, who is the "we" that  16 you're referring to?  17 A. I believe -- I -- I know I had made contact  18 with them. Dan Frazee, who was part of that ice cream  19 committee, was also involved in those meetings.  20 And Amiel Porta was also part of the -- You don't  21 understand how important this ice cream was to them.  22 Q. Are you saying there was an ice cream  23 committee?  24 A. There was an ice cream subcommittee. It was  25 that important that they get that ice cream that as part</p>	<p>Page 532</p> <p>1 other portions of that function.  2 Q. What portion of the function does the Airport  3 Authority pay for?  4 A. I believe that -- I believe in not having the  5 exact details on how it's broken up, but I believe that  6 they paid for -- they paid for setup, tables -- the  7 setups, tables and -- and other accouterments.  8 Q. What kind of accouterments?  9 A. The hay bales -- hay bales, the little peanuts  10 that you put on the table, the decorations, the  11 speakers, the -- the tents --  12 MS. CHINN: They couldn't --  13 THE WITNESS: -- the tables.  14 MS. CHINN: They couldn't get the peanuts from the  15 airlines?  16 MS. McDONOUGH:  17 Q. So the funds for the cooler came from the  18 executives?  19 A. I -- I -- I don't have --  20 MS. CHINN: Objection.  21 THE WITNESS: -- exact breakdown. The funds -- The  22 funds that were contributed by -- by senior executives  23 primarily went to fund the meat.  24 THE REPORTER: "Funding"?</p> <p>25 THE WITNESS: The meat.</p>
<p>1 of Thella's Barbecue, there was an ice cream  2 subcommittee.  3 Q. And Ted paid for the rental of the coolers from  4 MCRD; correct?  5 A. I believe all those -- I believe he did and was  6 reimbursed through -- through the funds for -- for  7 the -- for the -- for her barbecue -- or for the  8 barbecue.  9 Q. But the funds for the barbecue are paid by the  10 executives at the -- at the Authority?  11 MS. CHINN: Objection. That lacks a foundation.  12 Answer if you can.  13 THE WITNESS: Portions, portions of those, but  14 not -- not all in its entirety.  15 MS. McDONOUGH:  16 Q. How do you believe that the barbecue is funded?  17 A. The barbecue is funded -- The barbecue, in  18 order to be properly funded, had to be renamed from  19 Thella's Barbecue, which at one time was -- was funded  20 by senior executives from manager level and above.  21 Eventually it grew to such a large number that it  22 was renamed in order to be able to qualify it as an  23 em -- an employee activity, so where senior managers  24 still contribute to -- still contribute to -- to that  25 function, and Airport Authority picks up the bill for</p>	<p>Page 533</p> <p>1 MS. McDONOUGH:  2 Q. How do you know how the barbecue was funded?  3 A. The barbecue was funded because we had -- Ted  4 Sexton was always point of contact for the Texas  5 barbecue committee, and we would go in detail and put  6 together budget -- and put together a line-item budget  7 and try to figure out how we would fund this every year.  8 Q. So you were -- you assisted in preparing the  9 budget?  10 A. That's correct.  11 Q. Do you know if Ted Sexton paid for the dry ice?  12 A. He paid -- He paid him. Whether he was  13 reimbursed or not, I'm not -- not quite sure.  14 Q. And Ted Sexton paid for the ice cream as well?  15 A. He did.  16 Q. How do you know that Ted was reimbursed for the  17 rental of the coolers?  18 A. He had submitted all his receipts to Amy  19 Gosselin, his assistant. And at the end of the function,  20 there were some -- some statements made and -- and some  21 requests for reimbursement for certain individuals  22 who -- who paid for items for that function out of their  23 own pockets.  24 Q. How do you know about that?  25 A. I know that because I bought the hay bales, and</p>

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1 I had to submit -- I had to submit a reimbursement for  
 2 the hay bales. That's how I know that -- that that was  
 3 done.

4 Q. How do you know that Ted Sexton submitted a  
 5 reimbursement for the coolers?

6 A. He had mentioned that to me, that he had to put  
 7 together all his bills to be reimbursed for -- for the  
 8 coolers, one of which he cracked, the ice cream, the dry  
 9 ice and anything else that he had.

10 Q. When you contacted the station managers to ask  
 11 about transporting the ice cream on the airplanes, did  
 12 you ask for any special favors in connection with the  
 13 transportation of the ice cream?

14 A. The -- Our -- Our questions or -- initially --  
 15 initially or the -- our request to Bob Stuart, the  
 16 station manager, was how much -- what's the maximum  
 17 amount of ice that we can put --

18 THE REPORTER: "What's the maximum" --

19 THE WITNESS: Amount of dry ice that we can carry  
 20 on checked luggage. That was our request to Bob Stuart.

21 MS. McDONOUGH:

22 Q. And so you weren't asking the airline to allow  
 23 you to carry more dry ice than what the -- what was  
 24 permitted?

25 A. We -- The initial request was -- was what

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1 Is available in San Diego?  
 2 A. Subsequent -- The subsequent year, not being  
 3 involved with the procurement of the ice cream, that  
 4 year, to that level, the subsequent year, I took it upon  
 5 myself -- myself to find an alternative where we might  
 6 be able to purchase that ice cream locally and not  
 7 having to expose Ted to -- to now make a trip to  
 8 Austin-Bergstrom Airport to buy the ice cream.

9 MS. CHINN: "Expose Ted?" You mean they don't want  
 10 him at that airport anymore?

11 THE WITNESS: No. No, no, no. Their -- They --  
 12 They -- Jim and Dan Frazee were going to make a trip or  
 13 had thought about making a trip on a site visit to  
 14 Austin-Bergstrom, or planning a trip when I -- when I  
 15 was able to find that ice cream locally.

16 MS. McDONOUGH:

17 Q. Did you ever protest the fact that Ted Sexton  
 18 purchased the ice cream in Texas --

19 A. Excuse me?

20 Q. Did you ever protest in -- in any way the fact  
 21 that Ted Sexton purchased the Blue Bell Ice cream in  
 22 Texas?

23 A. I protested to Ted the expense of having to go  
 24 get the ice cream in Texas.

25 Q. Did you believe that it was unlawful or illegal

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1 was -- what is the maximum amount of ice, because that  
 2 is regulated by -- by the FAA that you can -- that you  
 3 can check in a -- in a piece of luggage or in -- in a  
 4 cooler.

5 Q. And is your understanding that Ted Sexton did  
 6 not transport more dry ice than that allowed by FAA  
 7 regulations?

8 MS. CHINN: Objection.

9 THE WITNESS: Once again, I was not -- I was not  
 10 there when he transported it, so I can only assume that  
 11 if he transported it, then he was within the limits.

12 MS. McDONOUGH:

13 Q. Do you have any reason to believe that Ted  
 14 Sexton received special favors in the transportation of  
 15 the ice cream on the airline?

16 A. No reason to believe that he did.

17 Q. Did you ever tell Ted Sexton that he should not  
 18 go to Texas to obtain the ice cream?

19 A. We had in our conversations -- I had  
 20 recommended to him to try to find alternatives to it.  
 21 It was just too big of a hassle. It was just too much  
 22 to do and probably wasn't right that he just flew out  
 23 there under the pretext of -- of picking up that ice  
 24 cream.

25 Q. In your complaint you allege that the ice cream

1 for Ted to obtain the ice cream from Texas?

2 A. I believe it would be -- I had reasonable  
 3 belief that -- that there would be -- there would be  
 4 some issues involved with -- with using a pretext in  
 5 that manner to -- to purchase ice cream.

6 Q. What would be the issues that were involved?

7 A. Well, the issues -- the issues of -- of saying  
 8 you're going to go down and visit last moment Southwest  
 9 Airlines when really you're just there to buy ice cream.

10 So when you look at it, this ice cream cost us  
 11 somewhere around \$1500 to the Airport Authority. It was  
 12 just better usage for the money than -- than to fly  
 13 someone out to -- to Dallas to buy ice cream.

14 Q. And Ted Sexton never told you that he was going  
 15 to Texas just to buy ice cream; correct?

16 A. Ted Sexton -- Ted Sexton had -- we had talked,  
 17 and -- and he had mentioned that, and it was really  
 18 clear to me that the only reason he was going out there  
 19 was to go get the ice cream.

20 In fact, when he came back from the trip, he had  
 21 mentioned that he was itchy to get out of that meeting,  
 22 and it dragged on so long. And that's why he almost  
 23 wasn't able to go get the ice cream.

24 MS. CHINN: "Itchy"? He used that word, "Itchy"?

25 MS. McDONOUGH:

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1 Q. But Ted Sexton never told you that he was going  
2 to Texas just to get the ice cream; right?  
3 A. It was --  
4 Q. Say "yes" or "no."  
5 A. He told me that he was going to Texas to go get  
6 the ice cream, yes.  
7 Q. And that that was the sole purpose of his trip?  
8 A. That he had found a pretext to go get that ice  
9 cream.  
10 Q. He used the word "pretext"?  
11 A. That now he had an opportunity. He used the  
12 word "opportunity" where he could now go to Texas and  
13 get the ice cream.  
14 Q. Because he had a business purpose for going  
15 to --  
16 MS. CHINN: Objection. That mischaracterizes his  
17 statement.  
18 THE WITNESS: That would be incorrect.  
19 MS. CHINN: What did you think he meant when he  
20 said, "I now have the opportunity to go to Texas"?  
21 THE WITNESS: I think it was clear that he was  
22 using that trip or that opportunity or -- he was using  
23 that opportunity that others were going to Texas so that  
24 he could involve himself in that meeting with -- with  
25 the sole purpose of getting that ice cream.

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1 Q. Did you ever talk to Ted Sexton about his trip  
2 to Texas to get the ice cream after your conversation in  
3 September 2004?  
4 A. Other than those -- those conversations and me  
5 expressing what I thought, not -- not as much.  
6 Q. In your complaint, you say that Ted Sexton told  
7 you to "Shut that little shit up"?  
8 A. That's correct.  
9 Q. Is that referring to Jim Prentice --  
10 A. That's correct.  
11 Q. -- the "little shit"?  
12 Do you know why Ted told you to "Shut that little  
13 shit up"?  
14 A. Ted -- Ted had called me into an -- into his  
15 office and was rather frustrated. He -- He closed the  
16 door and said, "You know, we got to figure out what  
17 we're going to do with Jimmy," you know. "Jimmy is now  
18 telling everyone" -- or "Jimmy is making a big issue  
19 about" -- "about me flying out to Texas just to get the  
20 ice cream. We got to figure out a way to shut that  
21 little shit up."  
22 Q. Why do you think that Ted was telling you to  
23 figure out a way to shut up Jim?  
24 A. Because he didn't want it to be made public  
25 that that's the reason why -- why he went out to go get

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1 MS. McDONOUGH:  
2 Q. Is there any reason that you're aware of that  
3 the original people slated to go on the trip to Texas  
4 could not have gone and gotten the ice cream?  
5 A. No.  
6 Q. When you told Ted -- Strike that.  
7 I said "Strike that." I'm sorry. I mumbled it.  
8 You said you protested to Ted the expense of having  
9 to go get the ice cream in Texas; correct?  
10 A. That's correct.  
11 Q. Did Ted have any response to your protest?  
12 A. No.  
13 Q. When was that protest?  
14 A. After he came back from the trip, I said,  
15 "That's pretty expensive ice cream."  
16 And he goes, "Yeah. I had no choice. I got to get  
17 it."  
18 Q. That was sometime in September 2004?  
19 A. That was prior to -- in between his trip from  
20 going back to Dallas and prior to -- prior to the -- the  
21 barbecue.  
22 Q. And the barbecue was in what month?  
23 A. It's August or September.  
24 Q. And this was in 2004; correct?  
25 A. I believe it was 2004, yes, ma'am.

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1 that -- to go get that ice cream, because Jimmy had been  
2 spreading the word that -- to -- to anyone who would  
3 listen to him, that's the only reason he went out to --  
4 to Texas was to go get the ice cream, the Blue Bell ice  
5 cream.

6 Q. Didn't Ted tell you that he wanted Jim to stop  
7 spreading misinformation about the trip to Texas?  
8 A. No.

9 What it was more characterized as, "This is the  
10 information that needs to be spread, not what he's  
11 saying." So he wanted -- he wanted to know if I would  
12 talk to Jim and try to provide Ted's version of why he  
13 went out there.

14 At that particular time, I told him I wasn't -- it  
15 wasn't right for me to do it. Jimmy doesn't work for  
16 me. He works for Ted. And, you know, if he had issues  
17 with him, he had to take it because I wouldn't.

18 I was -- It would be hard for me to go and tell Jim  
19 something, to tell him not to do something, which I felt  
20 was true.

21 Q. Did Ted say in that conversation what his  
22 version was of what happened, what Ted's version was?  
23 A. Ted said he wanted it out that the re- --  
24 that -- that he had gone -- his primary purpose was,  
25 "Hey, look, just tell everyone that I was there, and

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<p>1 while I was there visiting with Southwest, I went and  2 got the ice cream." That was his version that he wanted  3 out.</p> <p>4 Q. Did you believe that was a lie?  5 A. Yeah, I believe it was.</p> <p>6 Q. Did you protest to anyone aside from Ted Sexton  7 about the ice cream trip?  8 A. No.</p> <p>9 I was -- I -- I felt that making my issues or my  10 concerns known to my direct supervisor would suffice. I  11 have to work with him.</p> <p>12 Q. Once again, any protests to Ted were just in  13 verbal conversations?  14 A. That's correct.</p> <p>15 Q. You allege in your complaint that Thella Bowens  16 would purchase her own airline tickets and then request  17 date changes and upgrades; is that correct?  18 A. That's correct.</p> <p>19 Q. How many times did that occur?  20 A. Multiple times. Exact dates and times not  sure, but on several occasions either myself, Amiel  Porta or Jeff Simmons were requested to, when she flew  on American, to make contact with -- with Bob Stuart,  who was the airline station manager.</p> <p>25 If she was flying an American Airlines flight, we</p>	<p>Page 544</p> <p>1 Q. So he specifically said that Thella asked for  2 that break?  3 A. Yeah, "if there is anything you could do about  4 this seat."  5 Q. Did you have an understanding, when he said  6 "anything you could do about this seat," whether she was  7 asking to be moved within coach?  8 A. When -- When -- It was my understanding that  9 when -- when you -- when it was said in that manner was  10 to try to get her upgraded to first class.  11 Q. How did you form that understanding?  12 A. It -- It had just been -- It -- It had been  13 that we needed to get her the best seat we possibly  14 could in -- In my conversations with Ted.  15 Q. Did Ted Sexton tell you to get Thella the best  16 seat at no cost?  17 A. Ted Sexton had said, "Go and get her the best  18 seat and" -- "and bring me her new boarding pass." At  19 no time did he offer -- did he ever offer to -- to pay  20 for those seats.  21 And there was -- you know, you could only infer  22 by -- by contacting us directly and us having to talk to  23 the station manager that he wanted those changes done at  24 no cost.  25 Q. Ted wanted the changes done at no cost?</p>
<p>1 would always try to get her upgraded to first class. If  2 she was flying on Delta, we would -- we would try to do  3 the same.</p> <p>4 Q. Did this happen on more than five occasions?  5 A. Pretty -- Pretty close. Pretty close.</p> <p>6 Q. Somewhere around five?  7 A. Approximately.</p> <p>8 Q. Who made the request that you either change the  9 tickets or get upgrades for Thella?  10 A. Typically the requests -- Typically the  11 requests would come through Ted Sexton. I had  12 conversations with Thella. Ted Sexton would come to us  13 and say, "Hey, Thella's flying. Here's her itinerary.  14 Go talk to Bob or" -- "or" -- "or Mark Cunningham and  15 see what it is that we can do about -- about upgrading  16 her flight."</p> <p>17 Q. Did Ted tell you that Thella had specifically  18 requested an upgrade?  19 A. Coming -- Coming from Ted saying this is his  20 information, I could only infer that that was -- that  21 that was the case.</p> <p>22 Q. But he never specifically said Thella had asked  23 for an upgrade?  24 A. Thella -- The -- He had said that Thella had  25 asked if there was anything we could do with her seat.</p>	<p>Page 545</p> <p>1 A. That -- The traveler or Ted, however, wanted  2 those tickets changed at no cost.  3 Q. Did you actually contact Bob Stuart or Mark  4 Cunningham about the changes?  5 A. I -- I -- It was either -- It was either myself  6 or -- either myself if I was available, or Amiel Porta  7 if he was available, and if not Jeff Simmons if he was  8 available.  9 In addition, some of those requests for the changes  10 would come through his -- through his administrative  11 assistant.  12 Q. That was Amy Gosselin?  13 A. No.  14 Q. Oh.  15 A. No, Thella's administrative assistant.  16 Q. Oh, through Thella's. I thought you said  17 through his.  18 That's Grace Hill?  19 A. That's correct.  20 Q. Did American Airlines grant your request for an  21 upgrade on behalf of Thella?  22 A. Whenever possible they tried.  23 Q. Was there ever a time where they did not give  24 you the upgrade?  25 A. Only -- The only reason they would not give us</p>

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1 an upgrade, if -- if those seats were already taken up.  
 2 Q. Do you remember an occasion where you asked for  
 3 an upgrade for Thella and the airline did not give it to  
 4 you?  
 5 A. Not -- not specifically.  
 6 Q. Did the airline ever charge you or the  
 7 Authority for the upgrade?  
 8 A. No.  
 9 Q. How do you know that?  
 10 A. Because I remember never paying for it, and  
 11 adjustments never have been made -- or never being made  
 12 to those tickets.  
 13 We would -- When we would go to the airline station  
 14 manager, he would make the changes. We would go to the  
 15 ticket counter, and we would be issued the new boarding  
 16 passes.  
 17 So the transaction was finalized, and there was  
 18 no -- there would be no additional payments attached  
 19 to -- to that transaction.  
 20 Q. Would you know if the credit card assigned to  
 21 the transaction had been charged an upgrade fee?  
 22 A. They would, because what you would receive was  
 23 you would receive your new boarding pass, and then  
 24 attached to that you would receive an additional  
 25 receipt, which is the -- similar to a boarding pass, but

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1 Q. Do you remember the destination of any of the  
 2 trips that -- for which you requested upgrades for  
 3 Thella?  
 4 A. Yes.  
 5 Typically, Thella would be going back to Atlanta on  
 6 Delta where I believe her sister lives. She would be  
 7 making trips back to Dallas/Fort Worth, where her family  
 8 lives. So typical destinations would be -- would be  
 9 either to DFW or Atlanta.  
 10 Q. So were these only for personal trips?  
 11 A. I believe -- I believe they would be a  
 12 combination of both, some personal trips, some business  
 13 trips. But the ones that at this time come to mind  
 14 would be, you know, trips to DFW and -- and Atlanta.  
 15 Q. Did you ever request any ticket changes for  
 16 Thella Bowen?  
 17 A. Yes, we did.  
 18 Q. How many did you request?  
 19 A. We -- We would request easily say over a  
 20 handful.  
 21 Q. That's over six?  
 22 A. Over -- Over five. I don't have six fingers,  
 23 five fingers.  
 24 Q. You never know.  
 25 So over five times?

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1 It'll show additional charges to that, PNR, which is  
 2 that flight record in there.  
 3 So yes, we would have -- we would have a record.  
 4 "Here is your new boarding pass, and here is what  
 5 they've charged you for the upgrade."  
 6 Q. And did you ever see a charge for the upgrade?  
 7 A. Never.  
 8 Q. Did Thella ever directly ask you for an upgrade  
 9 or a change in flight?  
 10 A. No.  
 11 Those requests would always come through Ted  
 12 Sexton.  
 13 Q. Do you know if Thella knew that the upgrades  
 14 were provided complimentary?  
 15 A. I believe that she had -- I -- I would tell --  
 16 I believe that it would be fair to say that she would,  
 17 that -- that her seat was booked at a certain class and  
 18 a certain seat, and then tickets were then delivered to  
 19 her which now put her in first class.  
 20 They -- It would be fair to say that she would  
 21 have -- would -- would have a good idea that yes, they  
 22 were provided at -- at no cost.  
 23 Q. Do you have any way to confirm that Thella knew  
 24 that the upgrades were provided at no cost?  
 25 A. I have no way to confirm it.

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1 A. Over five times, exactly.  
 2 Q. And are you including the upgrades and the  
 3 flight changes as one --  
 4 A. No.  
 5 Q. -- when you're talking about numbers?  
 6 So five upgrades and five flight changes?  
 7 A. No less than five upgrades, and no less than  
 8 five different itinerary changes.  
 9 Q. Did you do as many as ten upgrades?  
 10 A. I don't believe at many as ten personally, no.  
 11 Q. How about seven?  
 12 A. I -- My -- I can -- The best way I can  
 13 approximate it would be over five.  
 14 Q. But less than ten?  
 15 A. Right around that ballpark, yes, ma'am.  
 16 Q. Same thing for the flight changes, over five  
 17 but less than ten?  
 18 A. Right around there somewhere.  
 19 Q. What kind of flight changes were you requesting  
 20 on her behalf?  
 21 A. Itinerary changes, either date changes, time  
 22 changes. Her schedule would be running behind, and we'd  
 23 go down to -- or we'd have to go down to the ticket  
 24 counter or to the airline station manager and request  
 25 changes in flights.

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<p>1 Q. Is this for Delta and American Airlines as 2 well?</p> <p>3 A. Yeah, yeah, to -- to whatever the ticket was, 4 we would go down to -- we would have to go down to the 5 airline station manager directly to get those changes 6 made.</p> <p>7 Q. The time changes that you're referring to, are 8 those same day/time changes?</p> <p>9 A. They would either be same day/time changes or 10 different day/time changes.</p> <p>11 Q. Do you have any understanding of whether Delta 12 or American Airlines charges the general public for 13 change fees if there is a time change on the same day?</p> <p>14 A. Pretty close to, yes.</p> <p>15 Q. And what's your understanding?</p> <p>16 A. Yes, I -- Itinerary changes generally go -- and 17 date changes generally range between \$50 to \$100 per -- 18 per boarding document.</p> <p>19 Q. If you actually change the date of your flight?</p> <p>20 A. Regardless, whether you change your flight -- 21 any changes to -- to your passenger Itinerary could 22 result in additional fees of -- of somewhere in the 23 range of 50 to \$100.</p> <p>24 Q. So if someone has, say, a 2:00 o'clock flight 25 and gets to the airport at 11:00 o'clock and wants to</p>	<p>Page 552</p> <p>1 Q. Do you know whether the airlines ever charged a 2 change fee for the date or time changes that you 3 obtained for Thella?</p> <p>4 A. I don't believe they did because if it was -- 5 if it would be that simple to change them, you know, you 6 could have just called reservations.</p> <p>7 But there was -- there was some intent in having me 8 contact the airline station manager directly so that we 9 can -- so that she could not be charged for those 10 tickets or -- or ticket changes.</p> <p>11 Q. Who requested that you make the date or time 12 changes on Thella's behalf?</p> <p>13 A. The request would come through, once again, Ted 14 Sexton. He said, "Hey, either Grace Hill called me or 15 Thella called me and she's running late. Could you make 16 the following changes," never early, always later in -- 17 in her -- in her flights.</p> <p>18 Q. Did Ted ever tell you that Thella had 19 specifically asked that you make the change?</p> <p>20 A. The -- The request would come through Ted, and 21 Ted -- Ted would assign, for lack of a better -- assign 22 the request. Typically he would -- he would come to 23 either myself or Amiel Porta to try to make those 24 changes on her behalf.</p> <p>25 Q. So your understanding is that Thella just asked</p>
<p>1 take an earlier flight, do you believe that there is a 2 change fee for that?</p> <p>3 A. There could be a change fee for that unless 4 you -- you opted to go on standby, and if the space was 5 available, then it would be -- it may be provided.</p> <p>6 Depends on the class that you booked your ticket in.</p> <p>7 Some -- Some -- Some especially if you bought them 8 through Travelocity or any of those services, there -- 9 there is a fee attached.</p> <p>10 Q. For the flight time changes that you made for 11 Thella's tickets where it just changed the time on a 12 specific day versus changing the date that you were 13 flying, do you have any understanding of whether the 14 airlines would have charged a change fee for those time 15 changes?</p> <p>16 A. Yes, ma'am.</p> <p>17 Q. What's your understanding?</p> <p>18 A. My understanding is they would have charged a 19 change fee somewhere between 50 and \$100 to change the 20 tickets.</p> <p>21 Q. Why do you have that understanding?</p> <p>22 A. Having worked at the airport for close to five 23 years and having worked closely with the airlines, that 24 would be -- that would be more than a reasonable 25 assumption on my -- my behalf.</p>	<p>Page 553</p> <p>1 Ted to make it happen, and then Ted used his discretion 2 on whomever he chose to make it happen?</p> <p>3 A. That's correct.</p> <p>4 MS. CHINN: Well, that's not -- that calls for 5 speculation.</p> <p>6 MS. McDONOUGH:</p> <p>7 Q. Did Thella ever directly ask you for a date or 8 time change?</p> <p>9 A. Thella never directly, but if it wasn't Ted 10 Sexton, it would be Grace Hill.</p> <p>11 Q. But you never spoke directly to Thella about a 12 date or time change?</p> <p>13 A. Never directly.</p> <p>14 Q. Do you know why Ted Sexton chose you as the 15 person to change the Itineraries?</p> <p>16 A. Ted Sexton would come to me because he knew 17 that I had great working relationships with the 18 airlines -- with the airlines having worked with station 19 managers and -- and knowing the personnel.</p> <p>20 And there would be a higher -- If -- If I had 21 requested that -- If I personally would go down and 22 request that change, it would be a higher likely -- 23 likelihood that they would do that on our behalf, or on 24 my behalf.</p> <p>25 Q. Were you happy to request the changes?</p>

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<p>1 A. At that particular time I did not feel that I  2 really had a choice but to go down and -- and request  3 those changes when -- when a request is being made by  4 your president/CEO coming through your direct  5 supervisor, who happened to be the vice president of  6 operations and then comes to me.  7 I don't think I really have a choice, so I just  8 took it for -- for what it was. Okay. It must be okay  9 to do, so I'll just go ahead and do it.  10 Q. Did you ever tell anyone that you didn't want  11 to request the upgrades or the flight changes?  12 A. I never believed that there was -- oh, I didn't  13 believe that there was anything wrong. And -- And, you  14 know, who -- who would I go to? I mean, it's -- it's my  15 direct supervisor who is asking me to do this. Where  16 would I go?  17 Q. So that's a "no"?</p> <p>18 A. Yes.</p> <p>19 Q. You also allege that Thella requested premier  20 lounge access?</p> <p>21 A. That's correct.</p> <p>22 Q. Do you know if she was a premier club member  23 for any airline?</p> <p>24 A. I do not believe so.</p> <p>25 Q. Which airlines did she request premier lounge</p>	<p>Page 556</p> <p>1 keys to her, and then --  2 Q. So you --  3 A. -- escort it through -- escort her through --  4 through screening and then walk her to her gate.  5 Q. So you walked Thella to her gate on occasion as  6 well?  7 A. Yes, ma'am.  8 Q. Did you ever sit in a -- an airline lounge with  9 Thella?  10 A. Yes.  11 Q. A premier lounge?  12 A. Yes.  13 Q. Which one?  14 A. In the United Re- -- Red Carpet room and the --  15 the Delta Crown Room.  16 Q. Who requested that you obtained access to the  17 United Red Carpet room and the Crown Room?  18 A. Ted -- Ted, as -- part of his instructions to  19 me were that if the plane was running late, that I  20 should get her access to -- to those rooms so she didn't  21 have to wait in -- in the general waiting rooms.  22 Q. How many occasions did you sit in a lounge  23 with -- a premier access lounge with Thella?  24 A. Probably on four to five occasions.  25 Q. Did Thella directly ever request a premier</p>
<p>1 access for?  2 A. Delta Airlines and the United Red Carpet room,  3 and -- and the Admirals Club for American.  4 Q. Was this request for lounge access at the  5 San Diego Airport?  6 A. Yes, ma'am.  7 Q. About how far in advance does Thella arrive for  8 flights, if you know?  9 A. Typically between under -- under an hour and a  10 half, hour 15, an hour.  11 Q. Do you know if Ted Sexton usually accompanies  12 Thella to the boarding gate?  13 A. That's correct, almost always.  14 Q. Did you ever obtain lounge access for Thella?  15 A. Yes, I did.  16 Q. Do you know if Ted Sexton accompanied Thella to  17 the lounge?  18 A. No.  19 The Only reason I would be -- I would be at her  20 departures were if Ted Sexton had a prior commitment and  21 could not accompany her. So I would -- I would be  22 assigned by Ted to be her driver to go get her car,  23 drive it, pick her up in front of the commuter terminal,  24 take her to whatever airlines she's going to, park her  25 car in a designated spot and then go back and take the</p>	<p>Page 557</p> <p>1 lounge?  2 A. The request had come from Ted, that if -- that  3 if the plane was running late or it was delayed or, if  4 possible, even -- even for the briefest of moments, to  5 have her sit in there. And then when -- when the -- the  6 flight was ready to board, take her up and -- and put  7 her on -- on -- on the plane.  8 Q. What's the longest time period that you sat in  9 a premier lounge with Thella?  10 A. Little bit -- Little bit over an hour.  11 Q. Do you know if there is any sort of a sign-in  12 sheet for the premier lounge?  13 A. Yeah, we didn't have to sign in.  14 THE REPORTER: The reporter needs to change paper.  15 MS. CHINN: Sure.  16 MS. McDONOUGH: Okay.  17 VIDEO OPERATOR: We are off the record at 2:00 p.m.  18 (Interruption in proceedings.)  19 VIDEO OPERATOR: We are back on the record at  20 2:02 p.m.  21 MS. McDONOUGH:  22 Q. Did Thella ever ask you if you obtained access  23 to the premier lounge?  24 A. Never asked me.  25 It -- She -- She never asked, but as we would go</p>

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<p>1 into -- as we would go into the premier lounge, we would  2 just let the tenants know that we had prior coordination  3 with the airline station manager.  4 THE REPORTER: "With the airline station" --  5 THE WITNESS: Manager.  6 MS. McDONOUGH:  7 Q. How many times did you obtain premier lounge  8 access for Thella?  9 A. I believe I already said somewhere around  10 four -- four to five different times personally.  11 Q. I'm asking not just the times you accompanied  12 her but just overall, how many times did you obtain the  13 access for her?  14 A. Oh, overall?  15 Q. Yes.  16 A. Those -- I believe just those -- those times  17 myself, I know there was other requests, but for those  18 you'd have to ask, you know, people like Amiel or Ted  19 what additional times she had access to those, but those  20 would be from my part.  21 Q. In the complaint you've alleged that Thella  22 Bowens requested airline flight privileges for her  23 sister?  24 A. That's correct.  25 Q. How many times was that request made to you?</p>	<p>Page 560</p> <p>1 I haven't -- I haven't followed up on where it went.  2 Q. So you don't know if that was ever provided to  3 Thella's sister?  4 A. I'm not sure. I know that the request was made  5 by Ted on Thella's behalf.  6 Q. Do you know when that request was made?  7 A. Somewhere around calendar year 2004, 2005.  8 Q. Did you ever communicate with anyone about  9 Ted's request to Mike Parrish?  10 A. No.  11 Q. In a complaint, you allege that this request by  12 Thella Bowens to obtain flight privileges for her sister  13 violates the ethics code.  14 What does that refer to?  15 A. I believe that she was -- she was -- was  16 requesting or maybe using her position for special  17 privileges from -- for special privileges on behalf of  18 her sister from -- from Southwest Airlines.  19 Q. So do you believe that requesting a free or a  20 reduced-fare flight from Southwest Airlines was a  21 violation of the ethics code?  22 A. I believe --  23 MS. CHINN: Objection --  24 THE REPORTER: Hang on. I didn't hear the tail end  25 of that.</p>
<p>1 A. That was a communication that was made to me by  2 the airline station manager for Southwest Airlines, Mike  3 Parrish.  4 THE REPORTER: Mike who?  5 THE WITNESS: Mike Parrish, P-A-R-R-I-S-H.  6 MS. McDONOUGH:  7 Q. What did Mike say about travel for Thella  8 Bowens' sister?  9 A. In one of our conversations, Mike had mentioned  10 to me that Ted Sexton had called her to see if there is  11 anything that he can do about trying to obtain special  12 privileges for Thella's sister to fly on Southwest  13 Airlines.  14 Q. Did Mike Parrish tell you what kind of special  15 privileges Ted was seeking on behalf of Thella?  16 A. I believe Ted was -- the privileges that he was  17 seeking were either reduced flight, reduced -- reduced  18 flight tickets or comp tickets or just anything that he  19 can do to -- so it wouldn't be as expensive for her to  20 fly on Southwest Airlines.  21 Q. Did Mike tell you whether he granted that  22 request?  23 A. The last conversations that I had with Mike was  24 that he was going back and forth, eventually making  25 contact with Thella's sister directly. And from then on</p>	<p>Page 561</p> <p>1 MS. McDONOUGH: A violation of the ethics code.  2 No, wait, wait. No, no, no. Respond to the  3 question before --  4 MS. CHINN: I want to get my objection on the  5 record.  6 MS. McDONOUGH: Okay. That's fine.  7 MS. CHINN: Would you read the question back again.  8 Thanks.  9 THE REPORTER: No problem.  10 (The record is read by the reporter.)  11 MS. CHINN: The question is vague and ambiguous,  12 and it mischaracterizes his testimony.  13 THE WITNESS: Could you clarify -- clarify it,  14 please.  15 MS. McDONOUGH:  16 Q. In the complaint you've alleged that Thella  17 Bowens' request for special airline flight privileges  18 for her sister violates the ethics code; is that  19 correct?  20 A. I -- I believe that requesting in that manner,  21 a direct request, would -- would some- -- somehow  22 infringe on -- on the ethics code.  23 Q. What was it about the way that Thella requested  24 the privileges that would -- that violated the ethics  25 code?</p>

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<p>1 MS. CHINN: Objection. That mischaracterizes his 2 testimony.</p> <p>3 THE WITNESS: The -- The request, as I understand, 4 was -- was Thella -- Thella through Ted to -- to Mike, 5 that "Thella would like you to do him a favor and do her 6 a favor and see what you can do to work with her 7 sister."</p> <p>8 MS. McDONOUGH:</p> <p>9 Q. Why do you believe that that request violates 10 the ethics code?</p> <p>11 A. Because she was using her -- you got the 12 president and the CEO -- the president/CEO of the 13 Airport Authority requesting of -- a direct request to 14 the airline to obtain -- to obtain those -- those 15 privileges on her sister's behalf. That's just, you 16 know, my -- my general idea of why it would.</p> <p>17 Q. So the fact that Thella Bowens is the president 18 requesting a free flight or a reduced flight for her 19 sister from the airlines directly, that's a violation of 20 the ethics code?</p> <p>21 A. I would --</p> <p>22 MS. CHINN: I think that mischaracterizes his 23 testimony. He gave you the answer.</p> <p>24 MS. McDONOUGH:</p> <p>25 Q. I'm just trying to understand what about that</p>	<p>Page 564</p> <p>1 MS. McDONOUGH: I'm not summarizing his testimony. 2 I'm asking --</p> <p>3 MS. CHINN: Well, you're making a comment on the 4 record, and I'm letting you know that 5 mischaracterizes --</p> <p>6 MS. McDONOUGH: Okay.</p> <p>7 MS. CHINN: -- his testimony. That's your 8 testimony.</p> <p>9 THE WITNESS: Yeah, that -- that would be 10 incorrect, a flight ticket not for her but for her -- 11 her sister.</p> <p>12 MS. McDONOUGH:</p> <p>13 Q. So is it the fact that she was getting it for 14 her sister that makes it a violation of the ethics code?</p> <p>15 MS. CHINN: Objection. That mischaracterizes his 16 testimony again.</p> <p>17 THE WITNESS: I believe specific to this one was 18 that request -- the request on her behalf to Mike to 19 obtain special privileges would be -- would -- would 20 possibly be or will be or could be or is a violation of 21 the ethics code.</p> <p>22 MS. McDONOUGH:</p> <p>23 Q. I'm asking why.</p> <p>24 A. I -- I believe I've already answered that 25 question.</p>
<p>1 transaction violated the ethics code.</p> <p>2 MS. CHINN: He did tell you. He ans- --</p> <p>3 MS. McDONOUGH: Well, I don't understand his 4 answer, so I'm asking him to clarify.</p> <p>5 MS. CHINN: Okay.</p> <p>6 Can you read back his previous answer, not the last 7 one, the one before that.</p> <p>8 (The record is read by the reporter.)</p> <p>9 MS. CHINN: That's his answer.</p> <p>10 MS. McDONOUGH: I don't understand the answer, so 11 I'm trying to clarify it.</p> <p>12 MS. CHINN: Okay.</p> <p>13 MS. McDONOUGH:</p> <p>14 Q. What is it about the direct request by Thella 15 that violates the ethics code?</p> <p>16 A. I believe that she was seeking special 17 privileges for her sister by using her position and 18 trying to -- just trying to influence -- possibly 19 influence Mike's decision on whether he would grant 20 those privileges or not.</p> <p>21 Q. Because he might be more inclined to give her a 22 free flight because she's the president of the 23 Authority?</p> <p>24 MS. CHINN: Objection. That mischaracterizes his 25 testimony. That's not what he said.</p>	<p>Page 565</p> <p>1 Q. I don't understand why in this specific 2 situation that was a violation of the ethics code.</p> <p>3 MS. CHINN: Objection to the question. It lacks a 4 foundation.</p> <p>5 If you don't understand her answer -- his answer, 6 you can question him about the answer. But I don't 7 think he can help you with your understanding any other 8 way than for you to be more specific.</p> <p>9 MS. McDONOUGH:</p> <p>10 Q. Do you feel that it was a violation of the 11 ethics code for Thella to request special privileges 12 because Mike Parrish might be more inclined to give the 13 special privileges to Thella because she's the 14 president?</p> <p>15 A. I believe -- Let me answer in this way. I 16 believe that -- that the accusations and the allegations 17 which -- which -- which led -- which led to the eventual 18 dismissal or my separation with the Airport Authority, 19 that would -- that would corroborate -- or collab- -- 20 yeah, corroborate my thinking that that -- that that 21 would be a violation of -- of the ethics code where I 22 personally was accused or -- or alleged that I perform 23 certain duties, and that would be right in line with 24 those particular duties.</p> <p>25 MS. McDONOUGH: Let's take a break.</p>

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<p>1      THE WITNESS: Okay.</p> <p>2      VIDEO OPERATOR: We are off the record at 2:12 p.m.</p> <p>3      (A recess is taken.)</p> <p>4      VIDEO OPERATOR: We are back on the record at</p> <p>5      2:21 p.m.</p> <p>6      MS. McDONOUGH:</p> <p>7      Q. Do you know Thella Bowens' sister's name?</p> <p>8      A. No, I do not.</p> <p>9      Q. You allege in the complaint that the chairman</p> <p>10     of the board of the Authority requested a first-class</p> <p>11     upgrade on the day of his departure to I believe Hawaii;</p> <p>12     Is that correct?</p> <p>13     A. That is correct.</p> <p>14     Q. Who made that request?</p> <p>15     A. The request had come from -- from the chairman</p> <p>16     of the board to Ted Sexton and then -- then to myself.</p> <p>17     Q. So you spoke to Ted about the upgrade?</p> <p>18     A. We spoke to Ted, and on several occasions</p> <p>19     during that transaction, we were on speakerphone with --</p> <p>20     with the chairman.</p> <p>21     Q. And The chairman's name is Joe?</p> <p>22     A. Joe Craver.</p> <p>23     THE REPORTER: Spelling for the record.</p> <p>24     THE WITNESS: Joe, J-O-E, Craver, C-R-A-V-E-R.</p> <p>25     MS. McDONOUGH:</p>	<p>Page 568</p> <p>1      price. You can't do it a day in advance. It's -- It's</p> <p>2      a walk-up price.</p> <p>3      He wanted to secure -- He wanted to secure that</p> <p>4      rate, the walk-up price, in advance so that they</p> <p>5      would -- he -- him and his wife would just show up --</p> <p>6      show up to -- to the flights and already have their</p> <p>7      upgrades taken care of.</p> <p>8      MS. McDONOUGH:</p> <p>9      Q. Did Joe Craver already have a first-class</p> <p>10     ticket booked?</p> <p>11     A. I do not believe he had a first class. I</p> <p>12     believe he had a coach, and -- he had a coach, but he</p> <p>13     would submit for reimbursement for that first-class</p> <p>14     upgrade. And -- And he would pay out of his own pocket</p> <p>15     for his wife's first-class upgrade.</p> <p>16     Q. Because as a board member traveling more than a</p> <p>17     couple hours, he is allowed to go first class; correct?</p> <p>18     A. I believe he was entitled to -- to fly in first</p> <p>19     class if business class was not available.</p> <p>20     Q. Did you try to accommodate Joe Craver's</p> <p>21     request?</p> <p>22     A. Yes, I did.</p> <p>23     Q. What did you do?</p> <p>24     A. At the request of -- At the request of Ted</p> <p>25     Sexton, I went down to speak to Janet Nix at Hawaiian</p>
<p>1      Q. How many telephone conferences did you have</p> <p>2      with Joe Craver?</p> <p>3      A. I believe it was a -- a couple leading up to</p> <p>4      the transaction and one while he was away on -- on</p> <p>5      business.</p> <p>6      Q. What did Ted tell you about what the chairman</p> <p>7      of the board wanted on this trip to Hawaii?</p> <p>8      A. It was a rather complicated request. What he</p> <p>9      wanted to do was obtain -- obtain a first-class upgrade</p> <p>10     for his wife, but he only wanted to pay day-of-departure</p> <p>11     prices.</p> <p>12     Q. What do you mean by "day-of-departure prices"?</p> <p>13     A. If -- If you were to -- Just general numbers,</p> <p>14     if you were to purchase say a code C on a flight to</p> <p>15     Hawaii and back, say it's \$400. If you wanted to get a</p> <p>16     first class, say it's \$800.</p> <p>17     But if you -- if you walked up on day of and the</p> <p>18     space was available, that seat was available, you would</p> <p>19     only pay 150 bucks. So there is a reduction of, I don't</p> <p>20     know, 3-, \$400 by -- by risking going in advance.</p> <p>21     Q. And so the chairman was requesting that someone</p> <p>22     obtain day-of-departure, first-class-upgrade prices more</p> <p>23     than a day in advance of the flight?</p> <p>24     MS. CHINN: Something like that.</p> <p>25     THE WITNESS: Something like that. It's a walk-up</p>	<p>Page 569</p> <p>1      Airlines to figure out if there was a way that we can</p> <p>2      make all this happen, because it was rather an odd</p> <p>3      request, and I'm not sure if it had ever been presented</p> <p>4      to her.</p> <p>5      Q. What did Janet say, if anything?</p> <p>6      A. She had to think about it -- once again, I</p> <p>7      don't believe that that was a request she'd ever had</p> <p>8      before -- and wanted -- wanted me to provide her the</p> <p>9      existing flight information. And she would think about</p> <p>10     what it is that -- that she can try to do for -- to</p> <p>11     honor that request.</p> <p>12     Q. Did you ever follow up with Janet about the</p> <p>13     request?</p> <p>14     A. Yes, we did.</p> <p>15     The -- The difficult part with that request was the</p> <p>16     first-class upgrade was requested on the return trip</p> <p>17     from -- I believe it was Kona, Kona, Oahu, Oahu back to</p> <p>18     San Diego. So she had to --</p> <p>19     MS. CHINN: Wait a minute.</p> <p>20     Did you get it?</p> <p>21     (The record is read by the reporter.)</p> <p>22     THE WITNESS: That's correct.</p> <p>23     And so she had -- what Janet needed to do was make</p> <p>24     contact with the airline station manager George out</p> <p>25     in -- In Oahu because only he would have the authority</p>

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<p>1 to in effect block a seat and then open it up when the  2 chairman was there.  3 MS. McDONOUGH:  4 Q. Do you know if she did that?  5 A. Yes, she did.  6 Q. Do you know if Janet Nix eventually received  7 the upgrade for Joe Craver's wife?  8 A. Yes, she did.  9 In fact, we had received -- we had received some --  10 some calls not only from Joe, Joe Craver the chairman,  11 but -- but George the station manager in -- in Hawaii,  12 because I guess there was some sort -- some sense of  13 miscommunication that the chairman believed, you know,  14 that those upgrades would be granted to him for free.  15 (Interruption in proceedings.)  16 VIDEO OPERATOR: We're off the record at 2:27 p.m.  17 (A recess is taken.)  18 VIDEO OPERATOR: We are back on the record at  19 2:29 p.m.  20 MS. McDONOUGH:  21 Q. Do you know if Joe Craver paid for the upgrade  22 for his wife?  23 A. I believe he did.  24 Once he was issued -- he was issued his new  25 boarding passes when he arrived in Oahu. When he</p>	<p>Page 572</p> <p>1 code; is that correct?  2 A. I believe so.  3 Q. Why do you believe that request violates the  4 ethics code?  5 A. I believe that his request to us -- to us would  6 be a violation in ethics code because it's not -- it's  7 not a privilege or -- that's available to the general  8 public, and that his request to -- to us as the board  9 member, he was trying to use his position -- his  10 position and my position to influence the granting of  11 that request.  12 Q. And the request that was not available to the  13 public was to get day-of-departure prices in advance?  14 A. That is correct.  15 Q. You also allege that Joe Craver requested that  16 the Authority enter into a temporary lease for the  17 parking lot at Harbor Island?  18 A. Yeah, that's correct.  19 Q. What event are you referring to?  20 A. Fleet Week Parade.  21 Q. On how many occasions did Joe Craver request  22 that the Authority enter into a lease for Fleet Week?  23 A. On two separate occasions.  24 Q. How are you aware of the request by Joe Craver  25 for the lease?</p>
<p>Page 573</p> <p>1 arrived in Oahu, what he needed to do then was at that  2 particular time, I guess there was some issues with  3 ticketing, but he at that point needed to pay for his  4 upgrades.  5 He was stopped by the station manager, who happened  6 to be the gate attendant at that time when he was  7 boarding his flight and asked to come back to the ticket  8 counter to pay for -- to pay for the upgrades.  9 So from that incident that was portrayed to us  10 by -- by George, the airline station manager in Hawaii,  11 I believe he did eventually have to pay for those  12 upgrades.  13 Q. Do you know how much Joe Craver paid for the  14 upgrades?  15 A. I believe it was about \$150 for -- for each  16 upgrade.  17 Q. Do you believe that that's the price that was  18 charged to any member of the public for the upgrades?  19 A. I believe that if by complying with -- with --  20 with the rules, walk up, there's available a plane, that  21 that's exactly -- well, that would be the price that you  22 would pay if you -- if you were a walk-up requesting an  23 upgrade.  24 Q. You alleged in the complaint that Joe Craver's  25 request for the first-class upgrade violates the ethics</p>	<p>Page 575</p> <p>1 A. Joe Craver -- Joe Craver called me directly and  2 asked if I would work with the chairman of Fleet Week  3 to -- to try to make that parking facility available.  4 And in fact, Amy helped me with the temporary use and  5 occupancy permit for -- for that event.  6 Q. Do you know if the Authority made the parking  7 lot available for Fleet Week?  8 A. Yes, on two occasions.  9 Q. What amount was paid for the use of the  10 property for Fleet Week?  11 A. I believe the -- the use of those properties  12 were granted at -- at no charge to -- to the event.  13 Q. On what basis do you hold that belief?  14 A. In my recollection of the temporary use and  15 occupancy permit.  16 THE REPORTER: "In" the -- "my recollection of the  17 temporary use" --  18 THE WITNESS: Of the -- It's called a TUOP, the  19 temporary use and occupancy permit -- occupancy permit.  20 MS. McDONOUGH:  21 Q. What did the permit say that makes you believe  22 that there was no charge?  23 A. In -- In the terms, I believe there was no --  24 there was no charge. There was a segregation of a  25 certain amount of parking stalls at no cost to the</p>

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<p>1 organizing committee to that event.</p> <p>2 Q. Did Joe Craver have any sort of a relationship</p> <p>3 to the organizers of Fleet Week?</p> <p>4 A. Joe, as an individual, I believe was a member</p> <p>5 of the board for that organization, but not as a</p> <p>6 representative of the Airport Authority.</p> <p>7 Q. Do you know if any other entity has used that</p> <p>8 same parking lot for parking?</p> <p>9 A. I believe -- I believe that would be the one</p> <p>10 that would come to -- to my attention.</p> <p>11 Q. So has any other entity used that same parking</p> <p>12 lot?</p> <p>13 A. Not -- I -- I don't recall at this time if</p> <p>14 someone else has.</p> <p>15 MS. CHINN: I -- I think the question calls for</p> <p>16 speculation.</p> <p>17 If you know, you know. If you don't know, you can</p> <p>18 say you don't know.</p> <p>19 MS. McDONOUGH:</p> <p>20 Q. I'm not trying to confuse you. I just want to</p> <p>21 know if someone else has used the parking lot, to your</p> <p>22 knowledge.</p> <p>23 A. I don't --</p> <p>24 MS. CHINN: Under those same --</p> <p>25 THE WITNESS: I don't know.</p>	<p>Page 576</p> <p>1 He said, "You know what? I'm not sure we're supposed to</p> <p>2 be doing this. This is not authorized used of airport</p> <p>3 property. The airport does not have" -- "is not a</p> <p>4 direct participant of" -- "of this event. They" --</p> <p>5 "There is just" -- "There is just no reason. I don't</p> <p>6 know if we can justify using the" -- "using the</p> <p>7 property."</p> <p>8 Q. Did you make any inquiry after Ted's comment to</p> <p>9 determine whether the Authority could let the Fleet Week</p> <p>10 participants use the property?</p> <p>11 A. Ted and I -- Ted and I went into that -- that</p> <p>12 issue in great detail. In -- In fact, I believe I had</p> <p>13 recommended to him that -- that we shouldn't do it.</p> <p>14 But, you know, once again, his recommendation was a</p> <p>15 little too late to -- to pull back on -- on that</p> <p>16 request.</p> <p>17 Q. Didn't the request for the use of the parking</p> <p>18 lot come from Ted Sexton?</p> <p>19 A. No.</p> <p>20 The request came from -- from the chairman. The</p> <p>21 chairman -- The chairman then would provide to us the</p> <p>22 contact information from -- for -- for Fleet Week and the</p> <p>23 Fleet Week organizers, and Ted Sexton would help with</p> <p>24 it -- the coordination of and execution of that</p> <p>25 document.</p>
<p>1 MS. CHINN: -- terms or conditions you mean?</p> <p>2 MS. McDONOUGH: Under any terms or conditions.</p> <p>3 Q. Are you aware of anyone other than airport</p> <p>4 pat -- patrons or people who would normally use the</p> <p>5 parking lot using that parking lot for a special event?</p> <p>6 A. I -- I don't recall at this time.</p> <p>7 Q. When were the requests by Joe Craver made for</p> <p>8 the Fleet Week parking?</p> <p>9 A. I believe it was leading up to the events that</p> <p>10 are somewhere in -- in July maybe, which is the --</p> <p>11 whenever the Fleet Week is. It was those months leading</p> <p>12 up to -- to that event.</p> <p>13 Q. Of which years?</p> <p>14 A. 2004, 2005.</p> <p>15 Q. Did you ever tell anyone that you thought it</p> <p>16 was wrong for the parking lot to be used for Fleet Week?</p> <p>17 A. After we executed the first agreement -- the</p> <p>18 first -- on the first agreement, I did not believe there</p> <p>19 was an issue. It was our assumption or my assumption</p> <p>20 that that -- that the chairman was somehow affiliated on</p> <p>21 behalf of the Airport Authority for this event going</p> <p>22 through our development of -- of the temporary use and</p> <p>23 occupancy permit.</p> <p>24 On the second one, Ted and I had a rather poignant</p> <p>25 discussion where he -- he brought up the matter to me.</p>	<p>Page 577</p> <p>1 THE REPORTER: "And execution of" --</p> <p>2 THE WITNESS: Of the document.</p> <p>3 MS. McDONOUGH:</p> <p>4 Q. After Ted Sexton notified you of whether the</p> <p>5 use of the parking lot was proper or not, did you have</p> <p>6 any further discussions with Ted or anyone else about</p> <p>7 whether it was proper to use the parking lot for Fleet</p> <p>8 Week?</p> <p>9 A. What -- My conversations with Ted were just to</p> <p>10 disclose my concerns with him, and then trusted his</p> <p>11 judgment that he would do what he felt was the</p> <p>12 appropriate thing to do.</p> <p>13 Q. And your concerns about use of the property</p> <p>14 were the same that Ted Sexton had already raised to you?</p> <p>15 A. That was correct.</p> <p>16 Q. You also allege that the General Dynamics</p> <p>17 property was used at the request an Authority board</p> <p>18 member for an event as well; is that correct?</p> <p>19 A. That is correct.</p> <p>20 Q. What event was that for?</p> <p>21 A. The Rock 'n' Roll Marathon.</p> <p>22 Q. And which board member requested that?</p> <p>23 A. The -- Actually, the -- the request had come</p> <p>24 from Bill Lynch.</p> <p>25 Q. Do you know who Bill Lynch talked to initially</p>

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<p>1 about use of the property for the Rock 'n' Roll  2 Marathon?  3 A. The request -- as -- as we had an initial  4 request, meaning the Airport Authority had initial  5 request for use of that property, initial  6 conversations -- initial conversations concerning the --  7 the specifics to the use, what they wanted, how it would  8 be used, what hours they wanted, had gone to myself in  9 airport operations, and through Troy Anne Leech's office  10 in real estate management.  11 We had an initial conversation with the organizers  12 of the Rock 'n' Roll Marathon where we had penciled up  13 some numbers or drawn up preliminary lease figure for  14 the lease of that property in the amount of 24-, \$25,000  15 for the use of the property and for the three-day  16 period.  17 As they walked out of the meeting, the organizers  18 said they would be in contact with the board members  19 and -- in contact with the board members to see if there  20 is a way that they can seek a reduction of those fees.  21 Within a -- Within a week or two of that initial  22 meeting with the Rock 'n' Roll Marathon organizers, Bill  23 Lynch had made contact with -- with Brian in the real  24 estate department and asked if there is a way that we  25 can come up with -- with a reduced figure for that</p>	Page 580	<p>1 asked me to put together a number of what I thought fair  2 market rent for that property would be.  3 I had initially put that number, and the number  4 that we had recommended was in the \$24,000 mark.  5 Q. Was your recommendation as to the fair market  6 value of the property put in writing?  7 A. Yeah, I believe it was, yes, ma'am.  8 Q. Was it in a memorandum form?  9 A. It should have been in a memorandum form  10 because it was a number that we presented to -- to -- to  11 the group as part of our meeting.  12 Q. To what group?  13 A. We had -- We had initial meeting with -- with  14 the Rock 'n' Roll Marathon organizers, Troy, myself, and  15 then they had some staff with them as well.  16 Q. Was there anyone from the Authority other than  17 you and Troy at the initial meeting with the organizers  18 from Elite Racing?  19 A. I believe there may have been others, but the  20 ones that come to mind would be myself and Troy.  21 Q. Do you -- Strike that.  22 Do you know who helped Thella Bowens -- Well,  23 strike that.  24 Have you ever actually seen the agreement with a  25 lease -- Elite Racing regarding use of the property?</p>	Page 582
<p>1 facility.  2 Q. Do you know if a reduced figure was provided to  3 Elite Racing?  4 A. Yes.  5 The -- The number -- The number all the far below  6 market value, that was agreed upon is more in the -- was  7 more in the range of I believe \$12,000.  8 Q. What year was the request originally made for  9 the Rock 'n' Roll Marathon to use the General Dynamics  10 property for parking?  11 A. 2000 -- It's either 2003 -- 2004.  12 Q. Are you aware that there is an analysis done to  13 determine the fair market value of the parking for that  14 property for that event?  15 A. Yeah.  16 I believe that analysis was -- was in an effort to  17 back into the number -- a particular number. The  18 initial analysis that -- that we had put together --  19 that I had put together in terms of -- of rent brought  20 that number to -- to the \$24,000 mark versus, you know,  21 the reduced rate.  22 Q. Who helped you put together your initial  23 analysis of the value of the parking?  24 A. I had put, with the assistance of -- of -- I  25 believe it was Troy Leech, I had put together -- she had</p>	Page 581	<p>1 A. Yes.  2 Q. Did you ever make a conclusion as to whether  3 the agreement accurately reflected the fair market value  4 of the property?  5 A. In conversations that -- that I had with Troy  6 and with Ted Sexton, were that -- that we receive --  7 that we kind of got jobbed on --- on -- on the deal for  8 the Rock 'n' Roll Marathon, that it cost us much more  9 time and effort, and the -- and the rental car companies  10 much more time and effort than what the \$12,000 figure  11 would actually -- would accurately reflect.  12 Q. When did you have that convers- --  13 MS. CHINN: Would you read his answer back for me,  14 please. I'm not sure what he said.  15 THE WITNESS: Okay.  16 (The record is read by the reporter.)  17 MS. CHINN: Thank you.  18 MS. McDONOUGH:  19 Q. Did you ever review a memorandum from Thella  20 Bowens to Zane Gresham, Brian Anderson and Troy Anne  21 Leech regarding the fair market value of that property  22 for Elite Racing?  23 A. I -- I don't recall.  24 Q. Have you ever heard that there was such a  25 memorandum?</p>	Page 583

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<p>1 A. I don't recall.</p> <p>2 Q. Did you participate in providing any numbers or</p> <p>3 statistics to Thella Bowens in looking at the fair</p> <p>4 market value of that property?</p> <p>5 A. Not having the document in front of me, I don't</p> <p>6 recall.</p> <p>7 MS. McDONOUGH: Just take a two-second break.</p> <p>8 THE WITNESS: Okay.</p> <p>9 MS. McDONOUGH: You don't even have to turn that</p> <p>10 off, but --</p> <p>11 VIDEO OPERATOR: Okay.</p> <p>12 MS. McDONOUGH: -- it's just going to be a little</p> <p>13 break in the proceeding.</p> <p>14 (Interruption in proceedings.)</p> <p>15 MS. McDONOUGH: Okay. I think I need a slightly</p> <p>16 longer break.</p> <p>17 VIDEO OPERATOR: All right.</p> <p>18 We are off the record at 2:46 p.m.</p> <p>19 (A recess is taken.)</p> <p>20 VIDEO OPERATOR: We are back on the record at</p> <p>21 2:55 p.m..</p> <p>22 MS. McDONOUGH: I'm going to mark as Exhibit 19 a</p> <p>23 packet of Use and Occupancy Permits for Elite</p> <p>24 Racing. [EXH-20]</p> <p>25 THE REPORTER: That should be Exhibit 20.</p>	Page 584	<p>1 determination for -- for rent was based on a formula</p> <p>2 that called for \$2 per -- per day per car that we had</p> <p>3 been using with -- with the rental cars that parked</p> <p>4 their vehicles out at -- at the facility.</p> <p>5 What we did was then went back and calculated the</p> <p>6 total amount of cars that would fit in the -- in the</p> <p>7 space that was requested by Elite Racing. And that's</p> <p>8 how we came up with that original number, 20 -- \$24,000</p> <p>9 \$25,000.</p> <p>10 Q. So you calculated it as \$2 per day per space?</p> <p>11 A. When we factored in the amount of space that</p> <p>12 they were looking to use for the amount of time, and we</p> <p>13 then said, "Okay. This is how many cars can fit in that</p> <p>14 particular property at \$2 a day," that's how we came up</p> <p>15 with the number.</p> <p>16 Q. Do you know if when the rental cars are there</p> <p>17 they all parked in the space?</p> <p>18 For instance, do they put more in the lot than what</p> <p>19 fit in standard spaces?</p> <p>20 A. No.</p> <p>21 We had -- We had arrived into a particular formula</p> <p>22 that -- but I don't -- not having the documentation in</p> <p>23 front of me, I wasn't -- I'm not sure exactly what the</p> <p>24 square footage was for that we had calculated -- or the</p> <p>25 square footage per parked car was.</p>	Page 585
<p>1 MS. CHINN: I think it is 20.</p> <p>2 MS. McDONOUGH: As Exhibit 20.</p> <p>3 (Whereupon the document referred to is marked by</p> <p>4 the reporter as Defense Exhibit 20 for identification.)</p> <p>5 MS. CHINN: Go ahead and write on that one.</p> <p>6 MS. McDONOUGH:</p> <p>7 Q. Let's start with the first document.</p> <p>8 Have you ever seen this Use and Occupancy Permit?</p> <p>9 A. I believe I have.</p> <p>10 Q. And if you look at the top of the second page</p> <p>11 of the first use and occupancy agreement, it says that</p> <p>12 the rental will be \$18,800.</p> <p>13 A. Yep.</p> <p>14 Q. Do you believe that that amount is under fair</p> <p>15 market value for the General Dynamics property for Elite</p> <p>16 Racing's purposes?</p> <p>17 A. I believe -- I believe it is.</p> <p>18 Q. How far below fair market value do you believe</p> <p>19 that is?</p> <p>20 A. If -- If my memory serves me correct from --</p> <p>21 that is, that the fair market value was closer to</p> <p>22 \$24,000.</p> <p>23 Q. Did you determine that the fair market value</p> <p>24 was 24,000 in 2003?</p> <p>25 A. Yeah, that the -- that the original</p>	Page 587	<p>1 Q. Then beginning on page 1735 --</p> <p>2 A. Okay.</p> <p>3 Q. -- it's a Use and Occupancy Permit for 2004.</p> <p>4 A. Okay.</p> <p>5 Q. And on the second page of that agreement it</p> <p>6 says that the rental will be \$17,568.</p> <p>7 A. Okay.</p> <p>8 Q. Do you believe that that amount is under the</p> <p>9 fair market value?</p> <p>10 A. I believe that the fair market value is -- is</p> <p>11 closer to right around 24,000. I don't -- Once again, I</p> <p>12 don't have the proper calculations in front of me, but</p> <p>13 that would be my -- my guess at this time.</p> <p>14 Q. And that's in 2004 as well?</p> <p>15 A. 2004, correct.</p> <p>16 Q. Have you ever seen this Use and Occupancy</p> <p>17 Permit before?</p> <p>18 A. I've seen a use and occupancy for the permit.</p> <p>19 I'm not sure if this is the right one because it's not</p> <p>20 executed.</p> <p>21 Q. And then turn to the last page.</p> <p>22 A. Okay.</p> <p>23 Q. Do you recognize that document?</p> <p>24 A. Yes.</p> <p>25 Q. What is this document?</p>	

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<p>1        A. This is a document that -- that -- which was  2        the operating plan for -- for Elite Racing or Five Star  3        Parking for the management of parking services.  4        Q. So did you prepare this budget?  5        A. This is a document that I helped assist prepare  6        for the event, yes, ma'am.  7        Q. And is this document an attempt to come up with  8        the operating costs for that parking lot for the  9        Rock 'n' Roll Marathon?  10       A. It was an attempt to mitigate -- This document  11       was an attempt to come to some sort of -- or to  12       negotiate cost for services to be provided by Five Star  13       Parking to Elite Services.  14       Q. Do you know who the negotiator was of the cost  15       of services?  16       A. We had just all three got together and worked,  17       negotiated back and forth, on -- on what -- what proper  18       staffing levels were -- were required, what those  19       costs -- those costs were already entered into by -- you  20       know, by the operator. My point was just to get  21       together with them and assure that we had sufficient  22       staffing.  23       Q. So when you say the three of us, you're --  24       you're referring to you, Five Star Parking and Elite  25       Racing?</p>	<p>Page 588</p> <p>1        A. I believe the request was to -- for staff to  2        work it out with -- to work it out with -- with Elite  3        Racing so that they can use the property.  4        Q. Do you know if Mr. Lynch ever requested that  5        the Authority offer the property to Elite Racing for  6        under the fair market value?  7        A. I believe that, once again, the request was to  8        work out a way -- work out a lease arrangement that made  9        sense for Elite Racing.  10       Q. And that's the extent of your knowledge  11       regarding Mr. Lynch's request?  12       A. Yes, that's correct.  13       Q. Do you know what was meant by "work out a lease  14       arrangement that made sense"?  15       A. I believe was -- the way I could interpret it  16       was Elite Racing was willing to pay a certain price and  17       to work out a formula that would substantiate payment of  18       whatever that price was.  19       Q. Did you ever protest the use of the General  20       Dynamics property for Elite Racing?  21       A. Absolutely.  22       Q. What did you protest to?  23       A. I protested it to my direct supervisor, Ted  24       Sexton.  25       Q. When was that?</p>
<p>1        A. Yes, ma'am.  2        Q. Do you remember who you talked with from  3        Five Star Parking?  4        A. I -- I don't recall. It may have been David  5        Bonaparte, who was a -- the property manager for  6        Five Star Parking.  7        Q. Do you believe -- Well, strike that.  8        Do you know if Elite Racing eventually retained  9        Five Star to operate the parking lot for the Rock 'n'  10       Roll Marathon?  11       A. I believe they did.  12       Q. Do you believe that Elite Racing paid Five Star  13       Parking the fair market value for their services?  14       A. I believe that -- I believe that they did.  15       Q. Did Bill Lynch ask for any special favors in  16       connection with the use of the parking lot for Elite  17       Racing?  18       A. The information that was relayed to me by -- by  19       staff, by Troy was that Bill Lynch or -- by Troy and  20       Ted, because this is an issue was that Mr. Lynch had --  21       had become involved, and we needed to figure out a way  22       that we can make this work for -- for Elite Racing.  23       Q. Did Ted or Troy ever tell you that Mr. Lynch  24       was demanding that the property be leased to Elite  25       Racing for under the fair market value?</p>	<p>Page 589</p> <p>1        A. On each occasion. It's a tremendous amount of  2        work to clear out that square footage. We probably on  3        any given -- on any given day, probably have 2,000 cars  4        out there.  5        And our requirement to clear out that space is a  6        tremendous amount of work, not just on Airport  7        Authority's behalf, but on the rental cars. They incur  8        a substantial amount of -- of expenses having to clear  9        out that property.  10       So understanding the work it -- the work it took  11       the Airport Authority understanding the rental cars far  12       below market value.  13       Q. So you said something to Ted Sexton each  14       year --  15       A. Yes.  16       Q. -- from 2003 to 2005?  17       A. Yeah.  18       Q. Did Ted ever respond to your protest?  19       A. That was in -- in talking to Ted about -- in  20       talking to Ted about -- about that lease -- about the  21       lease, you know, I felt that was, you know, voicing my  22       concerns to him and see if there's anything he can do.  23       Obviously, you know, he reiterated that that --  24       that the -- that the board member had been involved and  25       we needed to -- we needed to work it out to make it all</p>

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<p style="text-align: right;">Page 592</p> <p>1 happen.      2 Q. Do you know if Ted told anyone else about your      3 protest?      4 A. Where it went to Ted, I'm -- I'm not sure where      5 it went from there.      6 Q. And once again, these protests were verbal and      7 not in writing?      8 A. Yes.      9 Q. Why do you believe that Bill Lynch's request      10 for use of the General Dynamics property violated the      11 ethics code?      12 A. I believe that he was using his position to      13 influence staff and make -- and -- and have -- have us      14 enter into a lease agreement below market value for      15 that -- for the property.      16 Q. Which code do you believe that violated?      17 A. I believe that that is -- Do me a favor, repeat      18 that again if you can.      19 Q. Which code --      20 MS. CHINN: Are you getting tired?      21 THE WITNESS: I'm getting tired. I got the sun      22 now. Could --      23 MS. McDONOUGH: We can stop to --      24 THE WITNESS: See, if you stop -- yeah.      25 MS. McDONOUGH: -- make you more comfortable.</p>	<p style="text-align: right;">Page 594</p> <p>1 The blind -- The sun was blinding me.      2 Q. And we fixed the sun; right?      3 A. For now.      4 MS. CHINN: You fixed the sun? That's a hell of an      5 overstatement.      6 MS. McDONOUGH:      7 Q. What ethics code do you believe was violated by      8 Bill Lynch's request for use of the General Dynamics      9 property for the Rock 'n' Roll Marathon?      10 A. I believe that -- that the board member was      11 in- -- was using his influence to procure special      12 treatment for Elite Racing.      13 Q. Which ethics code do you believe that request      14 violated?      15 A. For use of his position.      16 Q. Is there a specific code that you're thinking      17 of?      18 A. I don't have the document in front of me to --      19 Q. And --      20 A. -- to be specific.      21 Q. And that's just the Authority's internal ethics      22 code; correct?      23 A. I believe so, yes, ma'am.      24 Q. The complaint says that the board members'      25 actions violate other laws and regulations as well.</p>
<p style="text-align: right;">Page 593</p> <p>1 THE WITNESS: No, no, it just -- now the light went      2 down. I'm right -- Now it's right here (indicating).      3 MS. McDONOUGH: We need -- We need to move our --      4 MS. CHINN: You didn't think --      5 THE WITNESS: It needs to come down, yeah.      6 MS. McDONOUGH: -- file folder.      7 THE WITNESS: Yeah.      8 MS. CHINN: Oh, Gordon, you got more work to do?      9 THE REPORTER: Can we go off the record?      10 MS. McDONOUGH: Sure.      11 VIDEO OPERATOR: This is the end of Videotape      12 Number 2 in the continuing deposition of Jose Hernandez,      13 Volume III.      14 We are off the record at 3:06 p.m. on      15 December 20th, 2006.      16 (A recess is taken.)      17 VIDEO OPERATOR: We are back on the record at      18 3:10 p.m. on December 20, 2006. This is the beginning      19 of Videotape Number 3 in the continuing deposition of      20 Jose Hernandez, Volume III.      21 MS. McDONOUGH:      22 Q. Last question before we went off the record was      23 whether you were too tired to proceed.      24 Are you too tired to proceed?      25 A. No, ma'am.</p>	<p style="text-align: right;">Page 595</p> <p>1 Do you know what that refers to?      2 A. I believe there was just attempts to influence      3 proper contract and procurement regulations.      4 Q. Are there any specific laws or regulations that      5 you have in mind that that violates?      6 A. Not being an expert, just in general.      7 Q. The same thing with Joe Craver's request for      8 the Fleet Week parking, are there any laws or      9 regulations that you believe that violates?      10 A. I believe -- I believe use of -- use of that      11 property may be construed as a gift of public funds      12 for -- for the property.      13 Q. When was the first time that you formed that      14 belief?      15 A. When it was brought to my attention that on the      16 second use of that property for those terms may or may      17 not be allowable or -- or probably weren't allowable,      18 un -- unallowable use for the -- for the property.      19 Q. You've alleged that a board member requested      20 assistance in rearranging an itinerary for the Little      21 League World Championships in Williamsport,      22 Pennsylvania; is that correct?      23 A. That's correct.      24 Q. Which board member are you referring to?      25 A. Now you got me. Morris Vance, the mayor of</p>

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<p>1 Vista. I can only remember so many names.  2 THE REPORTER: Spelling for the record.  3 THE WITNESS: Morris, M-O-R-R-I-S; Vance,  4 V-A-N-C-E.  5 MS. McDONOUGH:  6 Q. When did Mr. Vance request this rearrangement  7 or assistance of his itinerary?  8 A. Back around in the exact dates -- it's whenever  9 Vista Little League made -- made the World Series.  10 Mr. Vance had called Ted to request his assistance in  11 rearranging his flights, not only some flight times, but  12 some seat arrangements that needed to be made.  13 His original itinerary was rather hodgepodgey,  14 going -- going to Atlanta, Atlanta to Pittsburgh. It  15 was rather a -- a complicated itinerary there that he  16 had, I believe making two stops on three different  17 airlines.  18 Q. Was -- Was this request on one occasion for one  19 Little League World Championship?  20 A. The only one they've made.  21 Q. You said whenever they make the Little League  22 World Championships. I just want to make sure there was  23 just one occasion.  24 A. The last time they made, which is the only time  25 they made the World Series, that would give you an </p>	<p>Page 596</p> <p>1 Q. Were there three airlines coming and going?  2 A. He was -- He had a rather complicated itinerary  3 where I bel -- I mean, very complicated where he would  4 go to Atlanta, Atlanta to Charlotte, Charlotte to -- or  5 excuse me -- San Diego to Atlanta, Atlanta to Charlotte,  6 Charlotte to Williamsport or -- or Atlanta to -- to  7 Philly or Pittsburgh.  8 It was a rather complicated itinerary. So what he  9 wanted to do was uncomplicate that itinerary so that he  10 can get there in time for -- for the first game.  11 Otherwise, under his itinerary, he was going miss  12 the first day. And -- And if he were to miss the first  13 two games, he would -- he would get there and just have  14 to turn around and come home.  15 Q. Did you contact any of the airlines to  16 determine whether you could upgrade Mayor Vance or  17 change his itinerary?  18 A. I went down and contacted them in person at Ted  19 Sexton's request.  20 Q. And what happened after that?  21 A. After going through and looking at those  22 itineraries, we were able to modify his itinerary as he  23 had requested.  24 Q. As Ted had requested?  25 A. As Ted had requested, yes, ma'am.</p>
<p>Page 597</p> <p>1 approximate time of when this request was made.  2 Q. Would the seat arrangements that he  3 requested -- Strike that.  4 Did Mayor Vance request an exit row because of his  5 height?  6 A. In several other requests that Mr. Vance  7 requested, you know, in the past he had requested  8 assistance in -- in bulkhead rows that actually have  9 more leg room, not exit-row seats.  10 Q. On this occasion did Mayor Vance request the  11 bulkhead row again?  12 A. His specific request to Ted I can't -- I can't  13 testify to. I can testify to what Ted's specific  14 request to me was.  15 Q. What was Ted's specific request to you?  16 A. That Ted had asked if I can go through and I  17 believe change some times, change some flights around  18 and try to get him upgraded to first class as much as  19 possible.  20 Q. Did you follow Ted's request?  21 A. Ted requested, and finally when I received his  22 full itinerary, I believe there was a total of three  23 different airlines that I had to go visit to try to make  24 those -- try to make -- try to follow through with --  25 with those requests.</p>	<p>Page 599</p> <p>1 Q. Do you know if Mayor Vance received a  2 first-class upgrade on any of the flight segments?  3 A. Yes, he did.  4 Q. On how many?  5 A. I believe it was at least a minimum of two  6 upgrades.  7 Q. Do you know whether any portion of Mayor  8 Vance's ticket was paid as a first-class ticket?  9 A. It -- It would be -- It was my understanding or  10 is my understanding that -- that there were no charges  11 to Mr. Vance either on itinerary changes or first-class  12 upgrades.  13 Q. Do you have any understanding as to whether  14 Mayor Vance had a first-class ticket for any portion of  15 the segment prior to making any changes?  16 A. I believe there was a segment that he had first  17 class, but there were many sections -- or segments that  18 he did not.  19 Q. So he had at least one segment that was already  20 first class and paid for, and then you may have upgraded  21 one other segment?  22 A. No, no. Two in addition to the one. I believe  23 he had a first class from here to Atlanta or Charlotte,  24 one of those connections, and then there were several  25 other first-class upgrades that needed to be made.</p>

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<p>1 Q. Was there a charge for the upgrades that you 2 obtained for Mayor Vance? 3 A. There were no charges to upgrades or flight 4 itinerary changes. 5 Q. Did Ted Sexton ask you to obtain these upgrades 6 for free? 7 A. Ted Sexton -- Ted -- Ted Sexton was to go make 8 it happen. 9 Q. Did you complain to anyone about having to make 10 these changes for Mayor Vance? 11 A. No. 12 The -- The request came from my direct supervisor, 13 and, you know, just wanted -- you know, it was -- it was 14 a -- a direct request. So just, you know, obviously if 15 it comes from a board member -- board member to Ted, you 16 know, my assumption was there was nothing wrong with it. 17 Q. So at the time you didn't believe that anything 18 was wrong with the request? 19 A. I -- At that time I -- I did not believe so. 20 Q. In your complaint, you allege that the request 21 from Ted to change Mayor Vance's ticket violates the 22 ethics code; correct? 23 A. Correct. 24 Q. Which ethics code does that request violate? 25 A. I believe -- I believe now the way it was</p>	<p>Page 600</p> <p>1 MS. McDONOUGH: -- interrupt you. 2 MS. CHINN: She wants your answer. 3 THE WITNESS: No. Go ahead and repeat it, please. 4 MS. CHINN: Did you learn about the ethics 5 violations because of your own investigation? 6 MS. McDONOUGH: No, wait. I was thinking about my 7 next question. 8 THE WITNESS: Okay. 9 MS. CHINN: Okay. 10 MS. McDONOUGH: 11 Q. I asked you which ethics code Ted's actions 12 violated by requesting you to change the tickets for 13 Mayor Vance. 14 You answered that the way that it was related to 15 you through the whole investigation on your part, 16 that -- was that Ted or Mayor Vance was using his 17 influence with you to ask you to make those changes. 18 What -- What was told to you in the investigation 19 about the ethics code? 20 A. It was -- It was understood -- It was -- It was 21 my understanding, because it was common practice without 22 the Airport Authority, that, you know, requesting 23 tickets, changing tickets, getting upgrades, getting -- 24 were -- were just a common practice at the Airport 25 Authority, that -- that not just some people did it but</p>
<p>1 iterated to me through -- through the whole 2 investigation on my part was that -- that him using his 3 influence with me to ask me to make those changes, where 4 to follow through with those may have been -- may have 5 been an ethics violation. 6 Q. So you learned through your own investigation 7 what may or may not be a violation of the ethics code? 8 A. No, that -- 9 MS. CHINN: Objection -- 10 THE WITNESS: -- that's incorrect. 11 MS. CHINN: -- that mischaracterizes his -- 12 MS. McDONOUGH: 13 Q. Okay. 14 Then what -- what were you meaning to say about 15 that? Sorry. 16 MS. CHINN: You are not going to let me put that 17 objection? 18 MS. McDONOUGH: No, put the objection. 19 MS. CHINN: Did you get it? 20 THE REPORTER: I got your objection. I didn't get 21 his answer. 22 MS. CHINN: Okay. 23 MS. McDONOUGH: That's okay. Put it on. Sorry. I 24 didn't mean to -- 25 MS. CHINN: That's okay.</p>	<p>Page 601</p> <p>1 many people did it. 2 So that's why in -- at my particular point of view, 3 practice overcame whatever terms of policy there may 4 have been. 5 Obviously when the determinations of the 6 investigation -- of my investigation by the Airport 7 Authority, that unfortunately was described to me in a 8 different manner. 9 So now going back and taking a look at -- at the 10 way -- the -- the letter of the law on -- on -- on the 11 ethics policy, now I view back and say yes, those were 12 violations of the ethics policy. 13 Q. Who described to you what the ethics policy was 14 in the course of your investigation? 15 A. In -- I think in the course of which 16 investigation? 17 Q. The investigation into your behavior. 18 A. At the end -- Finally at the end, Ted Sexton 19 had -- had said that my -- you know, that there may have 20 been some insinuation that I used my position to -- to 21 obtain rights and privileges that would not be available 22 to the general public. 23 Q. Did you agree with that insinuation? 24 A. That's -- I strongly disagree. 25 MS. CHINN: Can you read the rest of his answer to</p>

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<p>1 me.</p> <p>2 (The record is read by the reporter.)</p> <p>3 MS. CHINN: Thank you.</p> <p>4 MS. McDONOUGH:</p> <p>5 Q. In your complaint, you allege that the</p> <p>6 Authority's vice president of budget and finance</p> <p>7 repeatedly requested changes in flight schedules; is</p> <p>8 that correct?</p> <p>9 A. That's correct. That's correct.</p> <p>10 Q. Are you referring to Vernon Evans?</p> <p>11 A. That is correct.</p> <p>12 Q. How many times did Vernon Evans request</p> <p>13 assistance in changing flight schedules from you?</p> <p>14 A. Easily -- Easily over ten times.</p> <p>15 Q. Over the course of how long?</p> <p>16 A. Over the course -- If you would look over the</p> <p>17 course of his employment at the Airport Authority, maybe</p> <p>18 over the last two years, we've probably made no less</p> <p>19 than 15 to 20 changes on his flight itinerary.</p> <p>20 Q. When you say "we," who are you referring to?</p> <p>21 A. Amiel Porta -- Amiel Porta, Jeffrey Simmons and</p> <p>22 myself.</p> <p>23 Q. Did Vernon directly ask you to make the</p> <p>24 changes?</p> <p>25 A. In several occasions he asked me directly.</p>	Page 604	Page 606
<p>1 On several other occasions he asked his</p> <p>2 administrative assistant.</p> <p>3 On several other occasions, those requests came</p> <p>4 from Ted Sexton.</p> <p>5 Q. Who was Vernon's administrative assistant at</p> <p>6 the time?</p> <p>7 A. He's probably gone through ten of them, so I</p> <p>8 don't -- I don't even remember.</p> <p>9 Q. Do you have any specific memory of a certain</p> <p>10 administrative assistant asking you to make changes for</p> <p>11 Vernon Evans?</p> <p>12 A. On -- I do have. I do have -- My office was</p> <p>13 probably four doors, five doors from -- from his office.</p> <p>14 And so they would come over and say, "Hey, Vernon" --</p> <p>15 "Vernon would like you to change a ticket" either going</p> <p>16 to Dallas, coming back from Dallas, going to Vegas or</p> <p>17 coming back from Vegas.</p> <p>18 Q. Do you know if the flights that Vernon was</p> <p>19 talking were for work-related purposes?</p> <p>20 A. It would be fair to say that over half of them</p> <p>21 were -- were not. They were personal travel.</p> <p>22 Q. How do you know that it was personal travel?</p> <p>23 A. Because he was going to Vegas to gamble.</p> <p>24 Q. Which airlines would he ask you to change the</p> <p>25 tickets on?</p>	Page 605	Page 607

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<p style="text-align: right;">Page 608</p> <p>1 Q. Did you tell anyone else that you did not want 2 to make the changes? 3 A. My conversations related to Vernon's activities 4 were directly with Ted Sexton. 5 Q. What did you tell Ted in that regard? 6 A. We just -- I wanted to -- I wanted to get Ted's 7 reaction to his continuing requests for changes, wanted 8 to get his opinion whether we should continue doing it 9 and wanted to get Ted's opinion on whether it was okay 10 to do it. 11 Q. When did you have this conversation with Ted 12 that you're referring to? 13 A. Throughout a two-year period. 14 THE REPORTER: I didn't hear the answer. 15 THE WITNESS: Throughout a two-year period. 16 MS. McDONOUGH: 17 Q. So you said you wanted to get Ted's reaction to 18 Vernon's continuing request for changes; is that 19 correct? 20 A. We wanted to keep Ted Sexton briefed up on the 21 situation. 22 Q. Did Ted have a reaction to Vernon's request for 23 changes? 24 A. Ted's response was, "Just do" -- "do whatever 25 you can."</p>	<p style="text-align: right;">Page 610</p> <p>1 said -- after he mentioned that it was okay, I said, 2 "Hey, Ted, is it okay if we make these changes?" 3 "Yeah, there is not a problem to it." 4 The -- The conversations that I had with him is, 5 "It happens all the time," you know, "It's okay to do 6 them." 7 "Is it okay to do them?" 8 "Yes, it's okay." 9 "Do we have to do them all the time?" Because they 10 were -- I mean, every week there would be a different 11 request. So more -- more of whether it was okay to do 12 it or, you know, it just seemed a little -- a little 13 imposing on -- on staff. 14 Q. Did you ever specifically tell Ted that you 15 thought making the flight changes for Vernon was a 16 violation of the Authority's ethics code or policies? 17 A. I don't believe I did, because once again, it 18 was common practice within the Airport Authority to not 19 only change tickets for Vernon, but to board members to 20 other -- for other staff as we've -- as I outlined in 21 there. 22 So, you know, understanding what practice was, I 23 really, really did not believe it was a violation. I 24 just thought it was more of a -- you know, an irritation 25 that every week we would have to go through and make</p>
<p style="text-align: right;">Page 609</p> <p>1 Q. Did you ever ask Ted if it was okay to make the 2 changes for Vernon? 3 A. Yes. 4 And he said if it was possible for me to cha- -- to 5 make those changes to go ahead and make those changes. 6 Q. Did you advise Ted that -- that the changes 7 were at no cost to Vernon or the Authority? 8 A. Ted knew. 9 Q. How do you know that Ted knew? 10 A. Because those requests -- Once again, if -- 11 If -- if an individual's intent was to pay for upgrades 12 or changes, they would just call reservations. 13 There was a reason why those requests were made 14 through us, so that there would be no charge or no 15 additional expenses to those tickets. Why else -- Why 16 else would you -- would you request of those changes? 17 He had an administrative assistant. She could have 18 called reservation. 19 Q. Is that the assumption you're making? 20 A. That's -- That is -- That is my -- That would 21 be my assumption, yes, ma'am. 22 Q. Did you ever tell Ted that you thought that 23 Vernon's request for flight changes violated the 24 Authority's policies or codes? 25 A. The conversation that I had with Ted after he</p>	<p style="text-align: right;">Page 611</p> <p>1 changes. 2 Q. Why did you decide to speak to Ted about 3 Vernon's requests but not about some of the other 4 requests, such as Thella's requests? 5 A. I believe -- I believe that would be in -- 6 that would be incorrect if you would say that. 7 Q. Okay. 8 So you talked to Ted about Thella's requests also? 9 A. That -- As -- As we talked before, most if not 10 all of the requests from board members, from Thella, 11 from some other staff members, most of that would be 12 funneled through Ted, from Ted, then he -- then we would 13 be told, "Hey, this is what we need you" -- "you to do." 14 So Ted was fully aware of not only those requests 15 made by Vernon, but from -- from board members and 16 anyone else. 17 Q. Did you ever tell Ted that you were irritated 18 by Thella's requests? 19 A. No. 20 Q. Why did you tell Ted that you were irritated by 21 Vernon's requests but not by Thella's? 22 A. Only by Vernon's requests because Vernon made 23 these changes all the time. There would be times where 24 in one particular instance, he probably made three 25 changes to the same itinerary on the same day where he</p>

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<p>1 said, "I'm flying out this day. Hey, go get it changed  2 because I'm having a good day at the table." "Oh, you  3 know what? Go get it changed again." "Go get it  4 changed again."</p> <p>5 And that was the irritation of -- of having to go  6 back and change those not. So once again, not more of  7 an ethics, it was more of an irritation, me having to go  8 down to the station manager and say, "Hey, look, stop  9 whatever you're doing. Could you make your changes for  10 me again."</p> <p>11 Q. And your complaint alleges that Vernon's  12 actions in requesting the changes violates the ethics  13 code; correct?</p> <p>14 A. I believe now in reflection -- in reflection  15 the way those -- the ethics policy was applied to me,  16 yes, they are.</p> <p>17 Q. And which portion of the ethics code does it  18 violate?</p> <p>19 A. And that particular one it was requesting  20 upgrades for tickets or special privileges that would  21 not otherwise be available to the general public.</p> <p>22 Q. In your complaint, you allege that the chairman  23 of the board requested that his office be surveyed for  24 listening devices?</p> <p>25 A. That's correct.</p>	<p>Page 612</p> <p>1 sweep my whole office and make sure there's no listening  2 devices in there."</p> <p>3 Q. Do you have any understanding whether it's  4 legal to eavesdrop on a conversation?</p> <p>5 MS. CHINN: That's going to call for a legal  6 conclusion.</p> <p>7 Answer if you can.</p> <p>8 THE WITNESS: No, I -- I don't think I'm -- I don't  9 think I'm -- I'm -- I don't think I -- I can answer that  10 question.</p> <p>11 MS. McDONOUGH:</p> <p>12 Q. Do you know of any requirement that any  13 conversation that's held in the Authority be open to the  14 public?</p> <p>15 MS. CHINN: Same objection.</p> <p>16 THE WITNESS: Once -- Once again, I don't think I  17 can --</p> <p>18 MS. CHINN: Calls for a legal conclusion.</p> <p>19 MS. McDONOUGH:</p> <p>20 Q. Do you know how much the Authority paid for the  21 sweep of the chairman's office?</p> <p>22 A. No.</p> <p>23 Those documents weren't -- weren't made -- weren't  24 made available to me.</p> <p>25 Q. Are you aware of the Authority conducting any</p>
<p>1 Q. How many occasions did that occur --</p> <p>2 A. In --</p> <p>3 Q. -- that you're aware of?</p> <p>4 A. One -- One specific occasion.</p> <p>5 Q. Why do you believe that this request by the  6 chairman of the board was a waste of Authority funds?</p> <p>7 A. I didn't understand -- I didn't understand  8 why -- why that needed to be done. We're a public  9 agency. Documents are public. Why -- You know, why  10 would you need your -- your -- your office swept for  11 bugs?</p> <p>12 Q. Did you understand what kind of listening  13 devices the chairman was having the contractor look for?</p> <p>14 A. He was just looking for -- for whatever the  15 reason -- for whatever reason he brought up the issue in  16 the conversation that we had with Ted at his office.  17 He -- He once again wanted something in writing or  18 wanted to be assured that you could not listen -- or you  19 could not use listening devices to look through --  20 through his windows.</p> <p>21 And he wanted someone to go back again and sweep  22 his office so that no one would listen in into his  23 conversation. So he had specifically once again asked  24 Ted, "Hey, same as you did last time, could you have  25 someone come in and check my phones, you know, just</p>	<p>Page 613</p> <p>1 other sweep of any other area aside from the chairman's  2 office?</p> <p>3 A. As we left -- As we left that office with Ted  4 Sexton and walked back to his, you know, I asked --  5 specifically asked Ted if others had -- If others had  6 their offices swept. He said, "No, he's the only one."</p> <p>7 Q. If the chairman of the board said he was  8 concerned about security, would it be unreasonable for  9 him to have his office swept?</p> <p>10 MS. CHINN: Objection. It assumes facts not in  11 evidence.</p> <p>12 THE WITNESS: I -- I -- I wouldn't understand why  13 he would.</p> <p>14 MS. McDONOUGH:</p> <p>15 Q. But if he did feel for some reason that there  16 might be a security threat, would it be unreasonable for  17 him to have a listening -- his office swept for  18 listening devices?</p> <p>19 A. A sec --</p> <p>20 MS. CHINN: That calls for completely improper  21 opinion.</p> <p>22 THE WITNESS: Go -- Go ahead and repeat it, please.</p> <p>23 MS. McDONOUGH:</p> <p>24 Q. If the chairman of the board felt for some  25 reason that there might be a security threat, would it</p>

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<p style="text-align: right;">Page 616</p> <p>1 be unreasonable for him to have his office swept for 2 listening devices?</p> <p>3 MS. CHINN: It calls -- It calls for an opinion, 4 speculation and there is a lack of foundation.</p> <p>5 If you can answer it, go ahead.</p> <p>6 THE WITNESS: Security threat to him or security 7 threat to who?</p> <p>8 MS. McDONOUGH:</p> <p>9 Q. To him or to the Authority.</p> <p>10 A. He's a policy guy. Security threats wouldn't 11 be going through -- through the board member. They 12 would be going through -- through another office.</p> <p>13 I guess I'm not understanding what security threats 14 or what threats would be -- that would require him to -- 15 you know, to have his office bugged in that manner -- or 16 debugged in that manner.</p> <p>17 Q. Did you ever hear that the chairman was worried 18 about a security threat?</p> <p>19 A. No.</p> <p>20 Specifically he was more worried about the FBI 21 listening in on him is the words that he used during -- 22 during our meeting.</p> <p>23 Q. Do you know why he was concerned that the FBI 24 would listen in?</p> <p>25 A. No.</p>	<p>1 Q. Do you know if Ted told anyone about your 2 concern of the money used on sweeping the chairman's 3 office?</p> <p>4 A. No.</p> <p>5 I am unaware of where he took it from there. Once 6 again, I -- I voiced my opinions and concerns to my 7 direct supervisor, hoping that he would do the right 8 thing or take it to wherever, you know, whatever proper 9 level he thought -- he thought it needed to be addressed 10 at.</p> <p>11 Q. Have you ever heard that sweeps have been done 12 on other offices within the Authority?</p> <p>13 A. Never beforehand.</p> <p>14 MS. CHINN: Can I --</p> <p>15 MS. McDONOUGH:</p> <p>16 Q. You never heard of it?</p> <p>17 A. I -- To that point, it -- I was unaware of any 18 other office -- of being swept for any type of devices.</p> <p>19 MS. McDONOUGH: Do you need a break?</p> <p>20 MS. CHINN: No, just for a second.</p> <p>21 (A discussion between witness and counsel is held 22 off the record.)</p> <p>23 THE WITNESS: Go ahead.</p> <p>24 MS. McDONOUGH:</p> <p>25 Q. As we sit here today, are you aware of any</p>
<p style="text-align: right;">Page 617</p> <p>1 Q. In your complaint, you allege that -- Well, 2 strike that.</p> <p>3 Did you ever tell anyone that you thought that the 4 chairman's request for sweeping of his office was wrong?</p> <p>5 A. Yes, I told Ted that I believed that it was a 6 waste of money, that we can once again use those type of 7 funds, whatever those funds would be, for better use.</p> <p>8 Q. Did you believe that sweeping of the office was 9 a violation of law?</p> <p>10 A. I believe that it was a -- a waste of public 11 funds.</p> <p>12 Q. Even though you didn't know how much it was?</p> <p>13 A. Yeah. Well, any -- whatever the amount, I 14 thought it was a waste of public funds.</p> <p>15 Q. When did you tell Ted that?</p> <p>16 A. As we walked out of the chairman's office down 17 the hallway back to his office.</p> <p>18 Q. Do you remember the date --</p> <p>19 A. No, I don't.</p> <p>20 Q. -- or the year?</p> <p>21 A. It was in 2005 sometime.</p> <p>22 Q. Was it in the beginning of the year?</p> <p>23 A. It was towards the end of the year.</p> <p>24 Q. Did Ted respond to your concern?</p> <p>25 A. No.</p>	<p>1 other offices that have been swept at the Authority?</p> <p>2 A. I'm unaware of any other offices that were 3 swept.</p> <p>4 Q. You allege in your complaint that you were 5 requested to obtain free round-trip airline tickets to 6 be donated to the United Way campaign?</p> <p>7 A. That's correct.</p> <p>8 Q. Who requested that you do that?</p> <p>9 A. The request came from -- from -- Thella Bowens 10 as -- from Thella Bowens to Ted Sexton to myself.</p> <p>11 Q. What did Ted say to you on that issue?</p> <p>12 A. Ted had called me, asked me to meet him at his 13 office. He said, Ted, "Thella, as part of the United 14 Way campaign, would like you to go to Hawaiian Airlines 15 and obtain two tickets to Hawaii. And if you can, go 16 down to Southwest Airlines and go get two tickets to 17 Vegas."</p> <p>18 Q. And Ted told you that Thella wanted you to go 19 get the tickets?</p> <p>20 A. That's correct.</p> <p>21 It -- It is -- It is assumed or it is common 22 knowledge that within the Airport Authority that Thella 23 was on the board of the United Way. This is -- The 24 United Way campaign is her campaign, and -- and so it 25 can be assumed, as Ted said, "Thella would like you to</p>

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JOSE HERNANDEZ vs. SAN DIEGO COUNTY

January 15, 2007

JOSE HERNANDEZ, VOL. III

<p>1    go get this for the grand prize package."</p> <p>2    Q. Did you go to Hawaiian Airlines and request</p> <p>3    tickets?</p> <p>4    A. Yes, I did.</p> <p>5    Q. Did you tell Hawaiian Airlines that the tickets</p> <p>6    would be for United Way?</p> <p>7    A. Yes.</p> <p>8    I -- I went to Hawaiian Airlines, Janet Nix, and</p> <p>9    explained to her that -- the whole story, that Thella</p> <p>10   is -- you know, Thella has this annual United Way</p> <p>11   campaign, if there is a way at her request that she can</p> <p>12   contribute two tickets to -- to the campaign to be given</p> <p>13   away as part of the raffle.</p> <p>14   Q. Do you know if the tickets were contributed on</p> <p>15   behalf of Hawaiian Airlines, in other words --</p> <p>16   A. Excuse me?</p> <p>17   Q. -- that Hawaiian Airlines contributed the</p> <p>18   tickets as a charitable donation?</p> <p>19   A. I believe they were contributed at -- I do not</p> <p>20   believe -- they were contributed to the Airport</p> <p>21   Authority, not to the United Way campaign.</p> <p>22   Q. Did you go to Southwest and ask for tickets as</p> <p>23   well?</p> <p>24   A. Yes, I did.</p> <p>25   Q. And did you say the same thing to Southwest?</p>	Page 620	<p>1    Airport Authority, that the Airport Authority had</p> <p>2    procured these -- these tickets as part of their</p> <p>3    campaign.</p> <p>4    Q. And how -- how did you obtain that</p> <p>5    understanding?</p> <p>6    A. Just -- Just my understanding of -- of how the</p> <p>7    union -- it's the Airport Authority's United Way</p> <p>8    campaign. The Airport Authority put this basket</p> <p>9    together, and whoever wins gets to have whatever in the</p> <p>10   basket.</p> <p>11   Q. Did you protest obtaining these tickets for the</p> <p>12   United Way campaign?</p> <p>13   A. At that particular time, I didn't think there</p> <p>14   was -- there was cause of reason for -- for protest.</p> <p>15   Q. Because at that time you didn't think there was</p> <p>16   anything wrong with it?</p> <p>17   A. At that particular time, I did not think there</p> <p>18   was -- there was anything wrong with that.</p> <p>19   Q. In the complaint, you allege that Thella Bowens</p> <p>20   requested a marked reserved parking stall for her</p> <p>21   personal use?</p> <p>22   A. That is correct.</p> <p>23   Q. And then you also allege that she did not use</p> <p>24   the stall, and instead reassigned the stall to Vernon</p> <p>25   Evans; is that correct?</p>	Page 622
<p>1    A. Same.</p> <p>2    Q. And were the Southwest tickets -- Strike that.</p> <p>3    Did Southwest give you tickets?</p> <p>4    A. Yes, they did.</p> <p>5    Q. Were the tickets just regular buddy passes, or</p> <p>6    were they specific to Las Vegas?</p> <p>7    A. Those tickets were specific to -- specifics to</p> <p>8    Las Vegas.</p> <p>9    Q. And those tickets were also donated to the</p> <p>10   Authority?</p> <p>11   A. They were donated to the Airport Authority.</p> <p>12   Q. Do you have any understanding of whether those</p> <p>13   tickets were used in a United Way campaign?</p> <p>14   A. I believe they were put into the United Way</p> <p>15   campaign -- the United Way campaign, the -- the grand</p> <p>16   giveaway basket, as an inclusion in that.</p> <p>17   Q. What -- Do you know if there was a raffle for</p> <p>18   the basket?</p> <p>19   A. I believe there was a raffle for the basket.</p> <p>20   Q. Do you know if there was any indication, when</p> <p>21   the basket was raffled off, as to whether the tickets</p> <p>22   were being donated on behalf of the Airport Authority or</p> <p>23   donated on behalf of the airlines?</p> <p>24   A. I believe the indication was that regardless of</p> <p>25   how it there, the -- the tickets were -- were from the</p>	Page 621	<p>1    A. She kept the stall marked the same but allowed,</p> <p>2    kind of assigned it to Vernon Evans.</p> <p>3    Q. Did you ever follow up to find out why Thella</p> <p>4    Bowens did not use that stall?</p> <p>5    A. Yes, I did.</p> <p>6    I -- I had made contact with Ted Sexton and asked</p> <p>7    him if she would prefer that we move the stall to a</p> <p>8    different area.</p> <p>9    This particular reserved parking stall is located</p> <p>10   to the east of the commuter terminal, and Thella's</p> <p>11   office is located on the west side of the commuter</p> <p>12   terminal, so, you know, fair distance to her office.</p> <p>13   She chose to park in the public parking lot in front, in</p> <p>14   front of the commuter terminal.</p> <p>15   I then followed up with Ted and asked him if he</p> <p>16   would like me to remove that, the reserve parking stall,</p> <p>17   and he said no, that it would be assigned to Vernon</p> <p>18   Evans. Vernon Evans would be using that parking space.</p> <p>19   Q. Did you believe that there was anything wrong</p> <p>20   with Thella Bowens requesting the parking space for</p> <p>21   herself, a reserve parking space?</p> <p>22   A. I don't believe there was any -- They -- I do</p> <p>23   not believe there was -- there was a -- no, never</p> <p>24   questioned it. Thella, she's president/CEO. She's okay</p> <p>25   with it.</p>	Page 623

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JOSE HERNANDEZ vs. SAN DIEGO COUN.,

January 15, 2007

JOSE HERNANDEZ, VOL. III

<p>1 Q. Do you thinking there's anything wrong with  2 Vernon Evans having a parking space that he can use --  3 A. Oh, abs- --  4 Q. -- that's reserved?  5 A. Absolutely.  6 I -- In my position, as -- as director of landside  7 operations or manager of grounds transportation, we  8 would have continual requests for special marked parking  9 spaces from employees. And I believe that was  10 preferential treatment on her behalf to assign that  11 parking spot to him.  12 Q. Do you know of any other vice presidents that  13 had assigned or reserved parking spaces?  14 A. He was in -- To the best of my knowledge, he is  15 the only one.  16 Q. Do you know of any Authority employees that pay  17 for parking?  18 MS. CHINN: Objection. It's overbroad.  19 THE WITNESS: I.  20 MS. McDONOUGH:  21 Q. Do Authority employees receive parking for free  22 at the airport while they're working?  23 A. Yes, they do.  24 Q. And how -- how do employees obtain access to  25 the parking lot for free?</p>	<p>Page 624</p> <p>1 If you worked at the commuter terminal, then you  2 would be assigned to park in parking lot 8, which is on  3 the east side of -- the east side of the commuter  4 terminal.  5 If you were assigned to work with the airport  6 planning, you were assigned to -- to park in one of 12  7 spaces within the Terminal 2 public parking lot.  8 If you were in airport maintenance, then you would  9 be assigned to park in one of the parking lots on the  10 far side of the west side of the airport, which we  11 termed as parking lot C.  12 MS. McDONOUGH: Let's take our final break.  13 THE WITNESS: Okay.  14 VIDEO OPERATOR: We are off the record at 3:48 p.m.  15 (A recess is taken.)  16 VIDEO OPERATOR: We are back on the record at  17 3:57 p.m.  18 MS. McDONOUGH:  19 Q. Were those employees of the Authority who were  20 director level and above entitled to park in any of the  21 parking lots at the airport for free?  22 A. There -- There would be certain individuals who  23 were -- certain employees who were allocated either  24 parking passes, yeah, that you can go park on travel  25 sometimes as business as long as you weren't impacting</p>
<p>1 A. Parking permits.  2 Q. Is it a hang tag?  3 A. It's a hang tag, yes, ma'am.  4 Q. Are there specific lots that employees have to  5 park in at the Authority?  6 A. Airport, yes, they are.  7 Q. Do all Airport Authority employees park in the  8 same lot?  9 A. No, they -- No, they do not.  10 Q. Does the director -- Oh, strike that.  11 Do the vice presidents park in the same lots as the  12 receptionist at the commuter terminal?  13 MS. CHINN: Objection. It calls for speculation.  14 Answer it if you can.  15 THE WITNESS: The -- The vice presidents have --  16 depending on their work location, have areas that they  17 have an opportunity to park at.  18 MS. McDONOUGH:  19 Q. That are closer than some of the other  20 employees of the Authority?  21 A. No, no, that are within their -- their general  22 workspace. For example, if you're working out of the  23 west wing, which is the modular building to the west of  24 the commuter terminal, then you would be assigned a  25 parking spot in that facility, in that parking lot.</p>	<p>Page 625</p> <p>1 general travel, yeah. It -- It was just kind of a perk  2 for working at the airport.  3 Q. Director level or above?  4 A. No, any employee. Any employee who wanted to  5 do it can park at -- at the -- at the -- at the parking  6 lot. Some -- Some for -- you know, for -- you know,  7 some had parking passes for the public parking lots,  8 others -- others did not.  9 Q. Was there a rhyme or reason to how the passes  10 were assigned for the public parking lot?  11 A. Yes.  12 The -- The general rule of thumb was that if you  13 were in a position that -- that required you to be on  14 call on 24-hour notice or respond in an immediate  15 fashion to the airport, that you would be allocated a --  16 a parking pass.  17 Q. Do you know if all director level and above  18 were allocated the parking pass to park in any public  19 parking lot?  20 A. You know, not having it -- for the most part.  21 Q. Did you have such a pass?  22 A. Yes, I did.  23 Q. In your complaint, you allege that allowing  24 Vernon Evans to use Thella's parking space was a  25 violation of Airport Authority rules and regulations;</p>

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